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Pak-China FTA second phase comes into effect

BEIJING - The second phase of China-Pakistan Free Trade Agreement (CPFTA) has come into the effect from Sunday, allowing the Pakistani manufacturers and traders to export around 313 new products on zero duty to the Chinese market. The two countries have completed all the legal procedures and formalities to start the implementation of the agreement from today,” well-informed sources confirmed here on Sunday. Both Pakistan and China signed a protocol for the implementation of the agreement during the last visit of Prime Minister Imran Khan to China, under which, Pakistan has got the export concession on 313 new items. Pakistan is already enjoying zero duty on export of 724 products to China under the first FTA signed between the two countries in 2006. After the implementation of the second FTA, Pakistan has been allowed to export a total of 1047 products to China on zero duty. The new facility will particularly benefit the textile sector to enhance its export to China as textile exports to China will virtually be duty-free. There are a number of other items particularly leather and agriculture products as well as confectionery and biscuits etc. which Pakistani manufacturers can export to China.

While commenting on the positive impacts of implementation of the second phase of the trade agreement, the sources informed that after the implementation, Pakistan can now increase its export around $1 billion in the short term while the export of these items are likely to touch $4-5 billion in the medium term after setting up a new industry in the special economic zones being constructed in Pakistan under China-Pakistan Economic Corridor (CPEC) flagship project. After this agreement, Pakistan can enhance its exports to China up to $10 billion in the next few years as the volume of the Chinese import market is around $64 billion. The per capita income in China is around $10,000 while buying capacity of the people is increasing gradually. China has organized import expos as it wants to import quality products from different countries including Pakistan. If our traders actively participate in different trade fairs in China to market their goods, they can get import orders with good price. Regarding further benefits, sources said, now not only Pakistani manufacturers can enhance exports of different goods to China but the Chinese manufacturers who are interested to shift industry to Pakistan owing to cheaper labour and other resources, can export goods to China and other countries in the world.

Pakistan has already signed FTA with Sri Lanka, Malaysia and Preferential Trade Agreement (PTA) with Indonesia under its trade liberalization policy to enhance its exports. There are active discussions to sign FTA with South Korea in a bid to provide more and more access to Pakistani manufacturers to the new markets. China has already become the second-largest export destination of Pakistani traders after the US. The present government has resolved export rebate issue and started the disbursement to traders for which the finance ministry is allocating funds while it is giving subsidy to exporters on electricity and gas. The State Bank of Pakistan has also increased funds limits for the traders and manufacturers under export refinance scheme which will help increase the exports. Regarding the impact of cooperation in the agriculture sector between the two countries, sources said that China has imposed a strict quality control system on food-related items. Chinese experts inspect and qualify the manufacturing facility before allowing imports. China also imposed quota and Pakistani traders can benefit from it if they
achieve all the standards. A quota of 350k tons yarn, 300k tons sugar and 200 tons rice respectively was given by China under $1 billion zero percent import tariff facility and exporters are actively availing this opportunity. “We want to complete the quarantine procedures of wheat and tobacco to be able to export these products to China.” Currently, cotton yarn, copper, rice, chromites nephrite, seafood, and ethylene alcohol are main products being exported to China.

The Nation
December 2, 2019

Pakistani nation to reap fruits of CPEC rapidly: Experts

ISLAMABAD - Economic experts highlighted that Pakistani nation would reap the fruits of China Pakistan Economic Corridor (CPEC) within couple of years. Talking to a Radio Pakistan program, Economists said CPEC would provide great opportunity to generate jobs and business activities for indigenous people. Development of economic zones is highly beneficial to uphold the economy. An economy expert Dr Saboor Ghayoor said, government has taking concrete steps to improve the economic outlook of Pakistan at international front. Gwadar is the deep-water port and has great potential to become one of the busiest trade centers in the world. He said, the private sector of Pakistan has great potential to execute CPEC related projects. The industrial growth would generate revenue and promote business culture in the country. Pakistan has great potential to export "Halal food" and fruits all over the world, he added.

Dr Shahid Hassan Siddiqui (Economist) also said Pakistan Tehreek-e-Insaf (PTI) government has taken bold steps to improve economy. Pakistan is passing through a tough financial phase. While the government believes in sustainable economic growth and Pakistan is heading towards the right direction. He said, there is a dire need to make proper amendments in constitution for institutional reforms. Improvement in tax collection system is imperative for the betterment of economy. He mentioned that political turmoil is the biggest hurdle in the path of development. Pakistan should increase its trade activities with other countries. The regional connectivity would boost trade and economic activities, he added.

December 2, 2019

CPFTA-II phase comes into affect on Dec 1

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are main products being exported to China. — APP
Pakistani can capture a big share in int’l Halal food trade

LAHORE - Pakistan can capture a big share for its products in international Halal food market of over $3 trillion as it has the potential and all required resources. This was stated by Lahore Chamber of Commerce and Industry (LCCI) President Irfan Iqbal Sheikh while talking to a delegation at LCCI on Tuesday. LCCI Senior Vice President Ali Hussam Asghar and Vice President Mian Zahid Jawaid Ahmad were also present. LCCI President said that volume of international Halal food trade was well over US $ 3 trillion but Pakistan had a meager share despite having all resources for becoming market of Halal food for the world. He said that some crucial measure by the government could help tap huge potential in this sector. He said that promotion of Halal products should be national agenda as it could give a quantum jump to the exports. “It is a matter of concern that there is no Muslim country included in top Halal food exporters, despite the fact Pakistan has huge potential of exporting Halal meat globally. With little efforts Pakistan can easily grab international Halal food market and can triple the exports of this particular sector,” he observed. Irfan Iqbal Sheikh said that global Halal food market was becoming one of the fastest growing markets. Despite having best strategic position, dynamic Halal food sector and direct gateway to the millions of consumers in Central Asia and Middle East, Pakistan’s share in international Halal food trade was negligible while even a number of non-Muslim countries like Thailand were leading in this sector that should be a matter of concern for the Muslim countries.

He said that demand for Halal products had increased manifold because of growing Muslim population world over therefore the government should encourage the export of Halal products. He said, Lahore Chamber was doing the needful for the promotion of Halal products but the government would have to come up with a package of incentives so that quality Halal foods could be exported from Pakistan. LCCI President urged the exporters to continue to explore available opportunities in the world market and focus on research that was a must while doing business at global marketplace. He said that hand-holding by the government could help jack-up exports of Halal products to over USD 10 billion. Middle East, South Asia, East Asia, Central Asia, Europe and North Africa spent most on food and beverages therefore these regions should be targeted for Pakistani Halal products, he suggested. He said that Pakistan’s strength was a 100 per cent Halal production base with over 200 million consumers in Pakistan and a direct access to millions Halal consumers in Central Asia, Middle East and Europe. He said that Pakistan had great opportunity to grab its share of global Halal product market by enhancing its production and improving quality. Irfan Iqbal Sheikh said, the government should formulate a strategy in collaboration with private sector to lift Halal food exports. Government should also hold exhibition across the world in order to provide Pakistani exporters with the opportunity to showcase their products. He also called for availing modern technologies.
Kuwait ready to ease business visa: CG

KARACHI: Kuwait wants to ease issuance of business visas to Pakistanis and in this regard, negotiations must take place between the interior ministries of the two countries at the earliest, Consul General of Kuwait in Karachi Salem Yousif Al-Hamdan said on Wednesday. Addressing a meeting at the Karachi Chamber of Commerce and Industry (KCCI), the Kuwaiti envoy noted that people from around 120 nationalities are living in the Gulf country and cited this as the main reason behind the stringent visa policy. `This [policy] is not only for Pakistanis but for all other foreign nationals, he added. In response to KCCI president’s remarks about the significance of China-Pakistan Economic Corridor (CPEC), the Kuwaiti envoy endorsed the mega-project’s importance, adding that it would have a positive impact not only on Pakistan but the entire Asian region.- APP

Cement exports jump 21pc in July-November

KARACHI: Domestic cement sales during 5MFY20 rose by three per cent to 16.854 million tonnes while exports grew by 21.5pc to 3.608m tonnes. As a result, the overall cement despatches grew by 5.76pc to 20.462m tonnes. On the other hand, in November, domestic sales rose by 5.11pc to 3.538m tonnes while exports swelled by 44pc to 0.808m tonnes. Overall cement despatches went up by 10.6pc to 4.346m tonnes. Domestic consumption in the northern region amounted to 2.976m tonnes while 0.264m tonnes of cement were exported whereas in the southern region, the consumption stood at 0.562m tonnes and exports at 0.544m tonnes during November. Cement consumption in the northern region rose by 11.32pc to 14.432m tonnes during the five months compared to same period last fiscal year. The region exported 1.214m tonnes during the same period, down 3pc compared to last year. The southern region dispatched 29pc less cement for domestic consumption at 2.422m tonnes during the last five months as compared to same period last fiscal year. Exports during the same period showed 39.16pc growth to 2.394m tonnes.

All Pakistan Cement Manufacturer Association spokesperson said the cement industry is sitting on a huge unutilized capacity as against installed capacity of 59.65m tonnes it despatched only 46.88m tonnes last year. This year, the total despatches at current pace might reach 49.11m tonnes leaving around 10.54m tonnes of capacity unutilized. He urged the government to enhance cement consumption by replacing kiln bricks with concrete blocks. This would largely resolve the smog issue in central Punjab where brick kilns have to be closed in winter to control smog. They said brick kilns also erode the quality of soil and a shift to cemented blocks is in line with other developed economies. Government should start work on announced housing projects that will have a positive impact on uptake of construction materials including cement and create jobs for skilled and unskilled labor, he added. He appealed to the government to support the industry by minimizing duties and taxes on cement in order to increase cement consumption.
Korean companies keen to set up JV with local companies

ISLAMABAD - A delegation of Multi Motive Creation People (MMC People) of South Korea led by CEO Yoohee Jong and Kim Advisor Je Jong visited Islamabad Chamber of Commerce and Industry (ICCI). The delegation informed that they were working to bring leading South Korean companies to Pakistan for exploring JVs and investment. Former Ambassador of Pakistan to South Korea Shaukat Ali Mukadam also accompanied the delegation. Speaking at the occasion MMC People CEO Hoohee Jong said that South Korean companies have vast experience of constructing high rise building including hotels and shopping malls. They said that South Korean company Samsung C&T had built Burj Khalifa Tower in Dubai and Petronas Tower in Malaysia and South Korean companies were interested to invest in Pakistan’s construction sector that offered great potential. He said that South Korean companies were also interested to explore JVs and investment in electric cars, solar energy, health care and other sectors.

The delegation held meetings with ICCI to explore business collaborations and assured that they would bring more South Korean companies to Pakistan so that they could play effective role in economic development of Pakistan. Addressing the delegation, ICCI President Muhammad Ahmed Waheed, briefed the delegation about investment prospects in Pakistan. He said that many South Korean companies including Samsung Electronics, L.G. Electronics, Daewoo Motors, Hyundai Corporation and Loti Engineering & Construction were doing successful business in Pakistan and urged that more should visit Pakistan to explore JVs and investment in areas of interest. He said that construction models in Pakistan used lot of material and were very costly.

Pakistan attractive investment destination: Jahangir

LONDON - Spokesman of Prime Minister Imran Khan for Trade and Investment for the United Kingdom (UK) Europe Sahibzada Amir Jahangir has said that owing to prudent and bold economic policies and structural reforms initiated by the incumbent government, Pakistan has become an important investment destination for investors including foreigners. He stated this while addressing a large gathering of Pakistani business community and Chief Executive Officers (CEOs) at Pakistan High Commission (PHC) London at the launching ceremony of a Book “100 best performing CEOs and Companies of Pakistan” international addition here on Monday evening. The event was organized by CEO Club Pakistan in collaboration with High Commission of Pakistan UK (London). Pakistan High Commissioner to United Kingdom (UK), Mohammad Nafees Zakaria, Advisor to Prime Minister on Housing Aneel Mussarat, CEO Club Pakistan Ijaz Nisar, Shabbir Ikram, Yaser Butt and Syeeda Leghari also spoke on the occasion.
Sahibzada A Jahangir said that Pakistan Tehreek e Insaf (PTI) government inherited a sluggish economy with “deep holes in the national exchequers”.

He said that the government under the dynamic leadership of Prime Minister Imran Khan took harsh but bold decisions to strengthen the national economy. He added that current account deficit has come down with all other economic indicators also improving while more good news will be coming from Pakistan. Sahibzada Jahangir added that Moody’s investor services has upgraded Pakistan’s outlook from negative to stable and reaffirmed the country’s rating of B3. He called upon the overseas Pakistanis and investors including the United Kingdom (UK) and Europe to explore the investment potentials and opportunities in various sectors of the economy including Tourism, Oil and Gas, Infrastructure development, Information Technology sector in Pakistan with a promising future. He assured that foreign investors would be fully facilitated and provided every possible information, support and assistance regarding investments to investors in the country. Sahibzada A Jahangir advised Pakistan High Commission (London) and other missions to establish a separate Trade and the information desk in the High Commission to facilitate the overseas Pakistanis and foreign investors in their respective missions.

The Nation
December 6, 2019

Manpower export to Saudi Arabia registers increase of 207pc

ISLAMABAD - The Ministry of Overseas Pakistanis and Human Resource Development, during first 10 months of the year 2019, assisted over 258,215 Pakistanis to proceed Saudi Arabia for prospective job opportunities in various sectors. According to the data compiled by the Bureau of Emigration and Overseas Employment, the manpower export to Saudi Arabia had registered a marked increase of over 207 per cent this year as compared to corresponding year of the last year when 84,091 went there. However, some 176,947 Pakistanis went to the United Arab Emirates (UAE) for different jobs, exhibiting a nominal growth of only 1.7 percent. The number of Pakistani emigrants to Oman had also increased by 5.8 per cent as 23,998 Pakistanis proceeded to the said country during the 10-month period compared to 22,668 in the corresponding period of 2018. An official source in the Ministry told APP that Special Assistant to the Prime Minister (SAPM) on Overseas Pakistanis and Human Resource Development Sayed Zulfikar Bukhari had held consultations with relevant authorities in multiple states to augment the number of Pakistani workforce abroad. He said Zulfi Bukhari had formally requested Saudi authorities to enhance the Pakistani manpower in multi-billion dollars’ project of New Taif City of the Kingdom. He said Saudi Arabia had also extended an offer for Pakistani manpower’s export through ‘Musaned’- a digital platform launched by the Kingdom to facilitate labour recruitment process and ensure their rights protection.

The process would take some months and after that the Pakistani workforce would be sent to Saudi Arabia through that platform, he added. The official said the ministry was also in process of linking up its digital portal with the UAE to set up direct link between its intending emigrants and foreign employers. The initiative would eventually minimize the middle-man’s role in recruitment process and help the country to train its workforce as per the international markets’ demand. He said the UAE Ministry of Human Resources and Emiratisation had offered its labour
market’s database access to Pakistan which would provide up-dated information of job opportunities in the Emirates. Sharing details of the recent visit of Zulfi Bukhari to Qatar, he said the SAPM had held a fruitful meeting with Qatar’s Minister of Labor and Social Affairs, Yousaf Mohamed-Al-Othman Fakhroo and highlighted the potential of the Pakistani workforce. Zulfi Bukhari also urged the Qatari minister to expedite the public sector recruitment in the health and energy sectors. During the meeting, the SAPM also emphasized the need for digital connectivity between the two ministries, which would make the recruitment mechanism more efficient.

December 8, 2019

Kinno export target fixed

KARACHI: The country has fixed a low kinno export target of 300,000 tonnes for the current season amid stiff competition in Russian market. Patron-in-Chief All Pakistan Fruit and Vegetable Exporters, Importers and Merchants Association (PFVA) Waheed Ahmed said the target was reduced by 50,000 tonnes as exporters suffered huge losses in Russian market during the last season. He said various countries had financially supported their exporters but in Pakistan the government did not give much support. A close coordination and cooperation among the shipping companies, relevant ministries and departments is a must to achieve the export target, he asserted. Since the existing orchards have already completed their lifecycle and don’t have adequate resistance to protect against effect of climatic changes and diseases, exporters are now confronted with issue of quality and it’s need of the hour to harvest new varieties of citrus fruits, he suggested. The season of citrus fruits is limited to four months. However, with production of new varieties, this period can be extended to eight months which may enhance export volume, he added. - Staff Reporter

December 8, 2019

Pakistan, Korea agree to transfer technology, share expertise in energy sector

ISLAMABAD - Pakistan and Korea have agreed to transfer technology and share expertise with each other in the energy sector. The agreement reached during a meeting between Minister for Power Division Omar Ayub Khan and Korean ambassador Kwak Sung-Kyu here, a press release said. Appraising the envoy about the government measures taken to bring improvement in the energy sector, the minister said ensuring transparency in all matters was the top priority of the Pakistan Tehreek-i-Insaf government. With the promotion of the transparency culture, Omar Ayub said all hurdles were being removed that paved the way for ensuring a conducive investment environment in the country. The minister appreciated the performance of Korean companies working at the hydropower projects in Gulpur and Athmuqam areas of Azad Jammu and Kashmir. He thanked the Korean companies for showing keen interest to make more investment in different sectors of Pakistan especially energy and taking practical measures in that regard. Omar Ayub also informed the ambassador about Pakistan’s strategy about exploiting the
alternative energy resources, adding by the year 2030 almost 60 percent energy needs of the
country would be met through the alternative resources.

He said different countries including China and European states were working in Pakistan to set
up factories for production of solar power panels and wind power turbines. He also offered
Korean companies to work in that area as in future there would be great opportunities for export
of these products to Central Asian States. In that regard, the minister said, all relevant institutions
had been given special directives to work in complete collaboration under one-roof
methodology. The Korean ambassador appreciated the measures taken by Power Division to
streamline its matters, which according to him, not only helped in completion of several power
projects in the country but also restored confidence of investors. Kwak Sung-Kyu said a number
of Korean companies were interested to invest in Pakistan and accordingly they were compiling
required data and information about its (Pakistan) energy sector. Due to prudent policies
introduced by the present government, the envoy said Pakistan had become a focal point for
world’s leading energy experts and investors’ attention.

The Nation
December 9, 2019

Pakistan, Russia ties in a big boom

ISLAMABAD - Russia is set to expand ties with Pakistan and engage in trade and business
worth billions of dollars, officials have said. A 64-member delegation headed by Minister for
Trade and Industries for the Russian Federation Denis V Manturov is visiting Pakistan. The
delegation will be in Pakistan until December 11 to attend an Inter-Governmental Commission.
Senior government officials told The Nation that agreements were being signed between the two
countries to enhance cooperation to the highest levels. The new Pak-Russia deal is expected to
amount $9 billion under which Islamabad would purchase heavy and medium fighter jets,
medium and short-range air defence systems, tanks, combat helicopters, and warships. Russia is
expected to provide financial assistance worth $1 billion for the rehabilitation and upgrading of
Pakistan Steel Mills project. The Russian-based company developed a project of converting
Muzaffargarh thermal power station to coal and establishing a 600-megawatt coal-fired power
plant at Jamshoro. Russia will also offer Sukhoi Superjet 100 (SSJ-100); a narrow-bodied aircraft
with a dual-class cabin that can transport 100 passengers over regional routes.

The plane is being marketed by Sukhoi – a major military aircraft manufacturer in Russia – in
Kazakhstan, Indonesia, Vietnam, Laos and Myanmar. “The aircraft is comparable in comfort to
Airbus and even Boeing,” said an official. As Russia prepares to enter Pakistan in a big way,
Islamabad may eventually become Moscow’s closer partner than New Delhi, experts believe.
Army Chief Qamar Javed Bajwa has played a significant role in bringing Pakistan and Russia
closer. “The army chief has even visited Russia and discussed the defence ties. We (Pakistan and
Russia) are now exchanging visits and coming even closer,” said another official. Last week,
Pakistan and Russia signed an agreement on settlement of mutual financial claims and
commitments on operations of the former Soviet Union, whereby Pakistan repaid the debt of
$93.5 million to Russia. The document was inked by Russia’s Deputy Finance Minister Sergei
Storchak and Ambassador of Pakistan to Russia Qazi Khalilullah. Funds will be credited within
90 days from the effective date of the agreement. A well-placed government official said the debt was an irritant which barred Russia from cooperating at higher levels. “We have removed the problem. Russia will come to Pakistan strongly now,” he said.

Another official said Pak-Russia ties have improved quickly in the recent years. “The past bitterness is over. We are close friends now,” he added. According to the Russian Finance Ministry, export and import operations on supplies of various products were carried out in the 1980s between the USSR and Pakistan. Countries had outstanding commitments on repayments of funds from accounts of Russia’s VEB.RF with the National Bank of Pakistan. These funds were earlier received to settle the debt of Pakistan but were later blocked in the absence of agreements on settlements of counter-claims related to settlements within the framework of export-import operations of the former USSR. Russia has aspired many times to help reconstruct Pakistan and become a major defence partner and supplier of high-tech military equipment. Currently, China is the largest arms supplier to Pakistan. From 2014 to 2018, China sold weapons for 6.4 billion dollars. The second place in the supply of weapons is held by the United States, which concluded contracts worth 2.5 billion dollars. The third is Italy, which sold weapons in the amount of 471 million dollars. If the $9 billion contract would be signed, Russia will become the number one arms exporter to Pakistan. This year, a meeting of the Pakistan-Russia Consultative Group on Strategic Stability was held in Islamabad. Sergey Ryabkov, Deputy Foreign Minister of the Russian Federation, had led the Russian delegations.

During the meeting, the two sides had an in-depth exchange of views on prevailing regional and global security environments and their impact on the international arms control, disarmament and non-proliferation agenda. The two sides agreed on the need for preserving multilateralism in the field of international security and disarmament and shared the concern regarding the possible erosion of painstakingly negotiated international arrangements in several areas, it added. “The discussions encompassed issues such as non-militarization of outer space, upholding bilateral and multilateral treaties, developments in the field of information and telecommunications in the context of international security as well as matters related to the International Atomic Energy Agency, Organisation for the Prohibition of Chemical Weapons and the Conference on Disarmament in Geneva,” a foreign ministry statement said. Pakistan-Russia Consultative Group on Strategic Stability is a platform for structured dialogue between the two sides and has been meeting since 2003.

The Nation
December 9, 2019

71,000 skilled, semi-skilled Pakistanis proceed to Qatar for job opportunities

ISLAMABAD - Ministry of Overseas Pakistanis and Human Resource Development (MoOPHRD) has formally assisted 71,000 skilled and semi-skilled workers to go to Qatar for various job assignments, especially in construction sector. Qatar had announced to hire 100,000 Pakistan’s workforce in 2015, a senior official in the ministry told APP. At present, as many as 140,000 Pakistanis were working in Qatar’s various sectors, he added. The official said around 10,000 Pakistanis proceeded to Qatar for various job opportunities in 2016 and 2017. However, as many as 20,000 manpower was sent to Qatar during the last year. “This year, the figure has
increased exponentially due to efforts of the Special Assistant to Prime Minister on Overseas Pakistanis (SAPM) Sayed Zulfikar Bukhari on foreign front,” the official added. He said more than 23,000 Pakistanis proceeded Qatar during current year, adding the SAPM, in his recent visit to Qatar, had requested Qatari government to exhaust the present quota of 100,000 and underlined the need for hiring more skilled and qualified Pakistani workforce, especially for FIFA 2020 event. Highlighting the government efforts on diplomatic front, he said Qatar had already set up visa facilitation centres in different cities to ensure swift processing of intending emigrants’ visas.

The SAPM also discussed the possibility of establishing Qatar Visa Centres in Lahore and Peshawar so as to augment Pakistani manpower abroad, in addition to protecting their rights, the official added. Sharing details of the visit, he said Zulfi Bukhari, during a meeting with the Minister of Labor and Social Affairs, Yousaf Mohamed-Al-Othman Fakhroo, highlighted the potential of the Pakistani workforce and urged to expedite the public sector recruitment in the health and energy sectors. He also emphasized the need for digital connectivity between the two ministries, which would make the recruitment mechanism more efficient. During a meeting with top executives at Qatar Chamber headquarters, he said it was revealed that the volume of bilateral trade between Pakistan and Qatar had increased from $1.59 billion (5.8 billion Qatari Riyals) to $2.61 billion (9.5 billion Qatari Riyals) during the year 2018 that projected 63 per cent growth compared to 2017.

December 9, 2019

Commerce under big focus

ISLAMABAD: The government has merged Commerce and Textile Divisions after which Ministry of Commerce and Textile has been renamed as Ministry of Commerce. The federal cabinet recently approved the merger in the light of recommendations prepared by Dr Ishrat Hussain, Prime Minister’s Advisor on Restructuring and Austerity. However, textile sector is likely to be unhappy with the decision as it has always supported a separate Ministry as it is the top foreign exchange earner. According to a notification issued by the Cabinet Division with regard to allocation of business to the Commerce Division would include all imports and exports across custom frontier as well as: (i) treaties, agreements, protocols and conventions with other countries and international agencies bearing on trade and commerce; (ii) promotion of foreign trade including trader offices abroad, trade delegations to and from abroad, overseas trade exhibitions and conferences and committee connected with foreign trade; (iii) standards of quality of goods to be imported and exported; (iv) transit trade and border trade and; (v) state trading.

Other responsibilities of Commerce Ministry will be: inter-provincial trade, commercial intelligence and statistics, organization and control of chamber of and associations of commerce and industry, tariff (protection) policy and its implementation, law of insurance, regulation and control of insurance companies, actual work, insurance of war, riot and civil commotion risks
and life insurance but excluding health and unemployment insurance, export promotion, special selection board for selection of commercial officers for posting in Pakistan Missions abroad, anti-dumping duties, countervailing and safeguard laws, management of EDF/EMDF, domestic commerce reforms and development in collaboration with other Ministries, provincial and local government, Intellectual Property Organization of Pakistan (IPO), textile industrial policy, coordination and liaison with federal agencies/institutions, provincial governments and local government entities for facilitation and promotion of the textile sector, liaison, dialogues, negotiations, except trade negotiations, and cooperation with international donor agencies and multilateral regulatory and development organizations with regard to textile sector, setting of standard and monitoring and maintaining, vigilance for strict compliance of the standards throughout production and value chain, textile related statistics, surveys, commercial intelligence, analysis and dissemination of information and reports on international demand patterns, market access etc, linkage with cotton and textile producing countries, training, skill development, research for quality improvement and productivity enhancement throughout the production/ value chain and management of textile quotas.

Commerce Division will also have administrative control of (i) Federal Textile Board; (ii) Textile City (projects), Karachi/Faisalabad; (iii) National Textile University, Faisalabad; (iv) Textile Commissioners Organization;(v) Directorate General of Textile & Quota Supervisory Council; (vi) all textiles related EPB/ EDF funded institutes concerned with skill development in various sub-sectors of textile industry; (vii) textile testing laboratory, Faisalabad; (viii) Garment City Projects at Lahore, Faisalabad and Karachi and; (ix) Pakistan Cotton Standards Institute, Karachi. Cotton hedge markets will also be dealt with by the re-named Commerce Ministry as well as three attached departments i.e. Cotton Board, Directorate General of Trade Organization and Textile Commissioner’s Organization. MUSHTAQ GHUMMAN

The Nation

December 10, 2019

Turning Pakistan into tech-based economy

Islamabad - Prime Minister Imran Khan inaugurating the first National Science and Technology Park of the country on Monday vowed transforming Pakistan into a knowledge-based economy by equipping the youth with the latest technologies. The flagship project of the National University of Sciences & Technology (NUST) would augment the recently launched “Kamyab Pakistan” programme of government which aims at development of youth. NUST is among top 400 universities of the world. Chief of Army Staff General Qamar Javed Bajwa, who is also chairman of NUST Board of Governors (BoG), received prime minister on his arrival at the university. PM also visited Research and Development Centres established by China and Turkey at the National Science and Technology Park (NSTP). The prime minister commended the vision of NUST leadership for having planned and accomplished this much needed initiative. He also appreciated Army Chief General Qamar Javed Bajwa for always giving special importance to education. Federal ministers, ambassadors of friendly countries, Rector NUST, senior government and renowned industry representatives from across the country, and the Park’s local and international tenants comprising tech giants, high-tech SMEs and startups were also present.
at the occasion. Premier appreciates NUST BOI chairman Gen Bajwa for giving special importance to education NSTP being first of its kind in Pakistan is a platform to catalyze the knowledge economy, has been launched under the overarching theme of “INNOVATE PAKISTAN” – a platform designed to synergize researchers, creators, investors, implementers and end users of technologies to transform innovative ideas into successful products and services, while promulgating a culture of entrepreneurship in Pakistan.

In his address, the prime minister said that all antiquated systems of economic progress have been upstaged by the new and enormously improved “Knowledge Economies” wherein any country’s economic substance and outlook are the sum of its intellectual capital, research and innovation prowess and edge in technological advancements. “Government will give special emphasis to the science and technology, education and future technologies to unleash the potential of the youth,” he vowed. The government would establish more technology parks in the country to involve youth in the domain of innovation, he added. The PM maintained that despite financial constraints, increased allocation in budget for innovative knowledge would be his prime priority, as his government aimed at transforming the country into a knowledge-based economy by utilizing the energies of youth at proper platforms. Imran Khan maintained that Pakistan currently ranks 105 on the Global Innovation Index, which was way behind its immediate neighbours like China, India and Iran. “It was about time that we did something about it by taking initiatives on the pattern of NSTP – a project that is fully integrated with the government’s vision of revolutionizing the education and industrial sectors from the grass-root to the highest level.” The premier informed the audience that he had constituted a task force headed by Dr Atta-ur-Rahman, which would principally help enhance Pakistan’s technological competence in the 21st century through capacity building and integration of the innovation systems. He also highlighted the incumbent government’s “Startup Pakistan Programme,” which is aimed at generating 10,000 startups and engage 100,000 students in learning new technologies by 2023.

He emphasized meritocracy and accountability as vital ingredients of democracy, which he said flourished talent for the benefit of the country. He said the societies that discouraged merit got ultimately ruined and mentioned the hierarchy of major political parties in the country where leaders were chosen on the basis of hereditary set up rather than merit. PM Khan expressed satisfaction that NUST was progressing as an institution that encouraged research in modern sciences and urged upon the students to maximum exploit their potential by challenging themselves in the field of education. He asked them to realize the ‘Cycle of struggle’ and never get disappointed by setbacks in life and always get back to their feet with more courage to deal with challenges. Referring to the philanthropy of Bill Gates, Imran Khan said he is a great man who is spending his money for the welfare of humanity. He said Gates is also providing funds to Pakistan for polio eradication. Federal Minister for Science & Technology Fawad Chaudhry in his address also commended NUST management on the inauguration of NSTP. The minister said that technology-based initiatives are inevitable for the development of Pakistan’s economy.

Highlighting some of the initiatives taken or being considered by the Ministry of Science & Technology (MoST), the Minister made special mention of the programme “Think Future,” which will initially focus on 7 key emerging technologies. He maintained that the government had also directed its focus on innovative technologies in biotechnology to ensure their tangible
contribution to GDP. He further stated that the government was also making serious efforts to ameliorate the energy sector of Pakistan, adding Pakistan would soon be able to manufacture solar panels and lithium batteries. He also apprised the audience that government was looking forward to indigenously developing various vaccines, adding Herbal Medicine Park of international standard is under development in Jhelum.

The Nation

December 11, 2019

Russian investors keen to explore business opportunities in Pakistan

ISLAMABAD - The investors of Russia are keen to explore business opportunities in Pakistan and for this purpose, want to further strengthen trade and investment cooperation with Pakistani counterparts. Stanislav L. KOROLEV, head of Moscow Chamber of Commerce and Industry Commission for Pakistan, said this while addressing business community at Islamabad Chamber of Commerce and Industry. He visited ICCI leading a business delegation of Moscow CCI and discussed various options for promoting business collaboration between the private sectors of both countries. Stanislav L. KOROLEV said that Russia has advanced technology in industrial sector and Pakistani entrepreneurs could better promote their business by enhancing close cooperation with Russian counterparts. He said that Moscow CCI was sending its delegations to 40-45 countries every year and they were now taking great interest in Pakistan for business prospects. He said that ICCI was playing a vibrant role in trade promotion of Pakistan Russian business community has also acknowledged it. He invited ICCI to take its delegation to Moscow for B2B meetings with Russian counterparts and assured that his Chamber would cooperate in connecting them with right partners.

Speaking at the occasion, Muhammad Ahmed Waheed, President ICCI, said that despite great potential, bilateral trade between Pakistan and Russia was far less than the actual potential of both countries and stressed that both should encourage frequent exchange of trade delegations to explore all untapped areas of mutual cooperation. He said that Pakistan exporters were now focusing on Russia and Central Asian Countries for trade and exports and Russia could act as a gateway for Pakistan to get easy access to CIS markets. He said that Russian investors should transfer technology to Pakistan and set up JVs in areas of interest. He said that many special economic zones would be set up under CPEC in Pakistan and urged that Russian investors should explore JVs and investment in these SEZs. Accepting the invitation of Moscow CCI, he assured that ICCI would consider taking a delegation to Russia and would like to sign trade agreements with Russian counterparts to further strengthen trade relations between both countries. Tahir Abbasi, Senior Vice President, and Saif ur Rahman, Vice President ICCI, said that Pakistan could export kinnow and other fruits to Russia for which enhanced collaboration between private sectors of both countries was needed. Khalid Chaudhry and others also spoke at the occasion and offered useful suggestions for improving bilateral trade and economic relations between Pakistan and Russia.
Trade gap narrows 33pc

ISLAMABAD: The country’s trade deficit dipped by 33.04 per cent in the first five months of current fiscal year from a year ago, data released by the Pakistan Bureau of Statistics (PBS) showed on Wednesday. The decline is mainly due to a double-digit fall in imports along with a nominal increase in export proceeds. Moreover, the government’s corrective measures to slow down imports in order to reduce pressures on foreign exchange reserves and slump in overall demand. In absolute terms, the trade gap narrowed to $9.66 billion in July-November from $14.43bn over the corresponding months last year. On a monthly basis, the deficit fell by 29.65pc to $1.92bn in November from $2.74bn over the corresponding month last year.

Ministry of Commerce estimates the annual trade deficit may decrease by $12bn to $19bn in the ongoing fiscal year from $31bn during the last fiscal year. Data showed imports in the first five months of current fiscal year clocked in at $19.21bn, down 18.41pc from $23.54bn over the corresponding period last year. The decline in value of imported goods in November was 13.99pc to $3.94bn as against $4.58bn over the corresponding month last year. Contrary to this, exports grew by 4.79pc to $9.54bn in July-November, against $9.10bn during the same period last year. The numbers are discouraging, as exports, which should have grown over the last few months owing to multiple currency depreciation, have failed to pick up. Although, in quantitative terms, the exports have increased slightly over the last few months but the overall slowdown in the global markets have led to lacklustre increase in the country’s exports. On a month-on-month basis, exports in November were up 9.35pc to $2.01bn from $1.83bn over the corresponding month last year. The government projects exports during the ongoing fiscal year to reach $26.187bn, up from $24.656bn in FY19.

In the Budget 2019-20, the government reduced cost of raw materials and semi-finished products used in exportable products by exempting them from all customs duties. Government also promised to provide sales tax refund to exports sectors. Meanwhile, a delegation of All Pakistan Textile Mills Association met with Adviser to PM on Commerce Razak Dawood. The meeting was informed that government has already released Rs17.6bn in various drawback schemes pertaining to textiles value chain.

Dawood told the delegation that a meeting will be held with the PM early next week on the issue of quarterly charges of electricity for its early resolution. He said the government is cognizant of the issues faced by the industry and appreciated that the Federal Board of Revenue has is cooperating with exporters to simplify form-H of SRO918. He asked the textile value chain to fully cooperate with the commerce ministry for formulation of Third Textiles Policy to address long standing issues of the textile value chain and urged that the small and medium enterprises should be given the priority. The adviser also said that out-of-box approach may be considered for various taxes imposed by federal and provincial organizations and also that credit availability and technology upgradation should be the focus of the policy.
Commerce Secretary Ahmed Nawaz Sukhera also said the ministry would soon issue the necessary memorandum to give special status of export-oriented sectors to textile, leather, carpet, sports and surgical goods. This would resolve all important issues of reduced regasified Equine natural gas and electricity rates for these sectors, he said.

The Nation
December 12, 2019

Pakistan, Russia agree to give bilateral trade a boost

ISLAMABAD - Pakistan and Russia on Wednesday agreed to increase volume of bilateral trade from the present levels to its true potential through greater cooperation and enhanced business activities by the private sectors of both the countries. Both the countries resolved to further strengthen bilateral ties in all areas of mutual interest including political, trade, economic, energy, education and people-to-people contact. Sixth session of Pakistan-Russia Inter Government Commissions (IGC) on Trade, Economic, Scientific and Technical Cooperation was held in Islamabad. Hammad Azhar, Federal Minister for Economic Affairs as co-chair from Pakistan side led the Pakistani delegation on the Plenary Session of the IGC. Denis V Manturov, Minister of Industry and Trade of the Russian Federation, led the Russian delegation. Addressing a press conference, the Russian minister extended cooperation to Pakistan to revive the country’s Steel Mills and enhance its productivity. He said Pakistan Steel Mills was established with the cooperation of Russian experts. He expressed interest in building geological capacity of Pakistan apart from building North South Gas Pipeline.

Denis Valentinovich said Russia wants to cooperate with Pakistan in aircraft manufacturing sector. He said there are immense opportunities for cooperation in the field of agriculture. Pakistan’s Minister for Economic Affairs said that Pakistan desires to transform relations with Russia into a strategic partnership. “There are tremendous opportunities to enhance cooperation in the fields of trade, business to business relations and people to people contacts”. Sharing the economic situation of the country, Hammad Azhar said that Pakistan has reduced trade and current account deficits and consequently due to economic policies of the incumbent government. He also claimed that international organizations are recognizing Pakistan's economic stability. Applauding the Russian offer to revive Pakistan Steel Mills, he said there is huge scope of cooperation between the two countries in energy sector. He urged the Russian companies to invest in oil and gas sector of Pakistan. According to the official handout, Pakistan’s delegation comprises of Secretary, Economic Affairs Division, Foreign Secretary and senior representatives from Ministries of Foreign Affairs, Commerce, Energy, National Food Security & Research, Industries & Production, Planning, Development & Reforms, Aviation, Federal Board of Revenue, Board of Investment, Ministry of Railways, Petroleum Division and Power Division participated in the IGC. The two sides expressed satisfaction at the current level of cooperation and agreed to further strengthen bilateral ties in all areas of mutual interest including political, trade, economic, energy, education and people-to-people contact

Federal Ministry for Economic Affairs briefed the forum about the recent economic developments and outlooks and highlighted improved indicators of Pakistani economy especially current account balance. He further apprised the Russian side of the successful implementation
of IMF Programme, bright future prospects of Pakistani economy and huge potential of trade and investment between the two sides. Both sides exchanged views on the prospects of the mutual economic cooperation in multiple sectors especially energy, trade, transport, industries and production, railways, agriculture and science & technology. Prospects of Russian investment for revival of Pakistan Steel Mills were also discussed. The Russian side expressed keen interest in energy sector such as North South Gas Pipeline. Discussions were held on removing the temporary ban on Pakistan’s agriculture exports including rice and potatoes. Both sides resolved to increase volume of bilateral trade from the present levels to its true potential through greater cooperation and enhanced business activities by the private sector of both the countries.

The Russian side invited Pakistan to organize a road show in Moscow to provide an opportunity to the Russian private companies to explore new avenues in Pakistan. Pakistani side on the other hand invited Russia for their presence in trade expos held in Pakistan. The Russian side was apprised that Pakistan holds the bilateral and economic relations with the Russian Federation in high esteem which is evident by the recent settlement of the long standing “Settlement of mutual Financial Claims” between the two countries. The Pakistan side appreciated that Russian had supported in laying foundation for its industrial growth by extending support in establishing the Pakistan Steel Mills and expressed firm resolve to continue such interactions at higher level to better understand the development needs, opportunities of cooperation and investment in the emerging sectors and remove any obstacles in trade and investment. The 7th session of IGC will be held in Moscow on mutually agreed dates.

The Nation
December 12, 2019

Kyrgyzstan can play role of bridge between Pakistan, CA markets: Envoy

LAHORE - Kyrgyzstan’s Ambassador to Pakistan Erik Beishemhiev has said that his country could play a role of bridge for Pakistan and Central Asian markets. Speaking at a ceremony at Lahore Chamber of Commerce and Industry on Wednesday, the envoy said that CPEC is a golden opportunity to enhance trade volume of the connecting countries and Pakistan and Kyrgyzstan could benefit by promoting bilateral relations in academic, trade and cultural areas. LCCI President Irfan Iqbal Sheikh, Senior Vice President Ali Hussam Asghar and Vice President Mian Zahid Jawaid Ahmad also spoke on the occasion. LCCI former SVP Amjad Ali Jawa, Executive Committee members Malik M Khalid, Fiaz Haider, Haji Asif Saher Nisar Ahmed, Dr Riaz Ahmad, Yasir Khursheed, Sh Sajjad Afzal were also present.

Erik Beishemhiev said that Pakistan and Kyrgyzstan are geographically located on important positions in the region and both can benefit from each other. He said that the Kyrgyz economy is undergoing some major structural and development changes. Kyrgyzstan is doing progress in mining, electrical goods production, IT and agriculture sectors, he said, adding, Kyrgyzstan is rich in tourist destinations. He said that the government of Kyrgyzstan is interested in signing memorandum of understandings with Pakistan for promotion of people to people contact and exchange of information regarding trade. Irfan Iqbal Sheikh said that Pakistan and Kyrgyzstan enjoy friendly and cordial relations but these do not reflect in the trade between the two
countries. He said that mainly pharmaceutical products are exported from Pakistan whereas some dried vegetables and trailers are imported from Kyrgyzstan.

The Nation
December 12, 2019

**ADB plans to invest $2 billion in energy sector in three years**

ISLAMABAD - Asian Development Bank (ADB) has planned to invest $2 billion in the energy sector of Pakistan during next three years. This was stated by a high level ADB team headed by Director General for Central and West Asia Department, Werner Liepach which met Federal Minister for Power, Omar Ayub Khan and Special Assistant to the Prime Minister on Petroleum, Nadeem Babar here Wednesday. ADB remains top energy sector partner with $2.1 billion portfolio with $300 million released this week for sector reform including addressing the circular debt. Country Director ADB in Pakistan, Ms Xiaohong Yang was also present during the meeting. The meeting took stock of ADB funded projects in the energy sector and it was decided that a comprehensive portfolio review meeting will be held by the end of this month between Power Division and ADB to steer the projects to their logical culmination. It was also agreed that all efforts by both sides will be made to ensure maximum transparency during the execution of projects.

During the meeting the ADB showed interest in facilitating technical studies for the gas storage facility in Pakistan. “During later part the ADB can also consider financing the project”, it was also observed by the Director General, Werner Liepach. The ADB team was apprised of approval of New Renewable Energy Policy which will be placed before Council of Common Interest (CCI) in its scheduled meeting by the end of this month. The team was briefed regarding various steps taken by the Power Division to boost the efficiency of the system and campaign against power theft. The circular debt capping plan is also being variously perused and implemented by the Power Division resulting in considerable reduction in its growth from Rs.39 billion a month to Rs. 12 billion per month, it was informed. The ADB team expressed satisfaction over the step taken by the Power Division and terms the efforts a positive for the sector growth.

The Nation
December 12, 2019

**Chinese delegation holds meetings with Pakistani Customs officials**

ISLAMABAD - Chinese Customs delegation visited Federal Board of Revenue (FBR) and held detailed meetings with Pakistan Customs officials to further cooperation between the Customs Authorities of the two governments. General Customs Administration of China and Pakistan Customs under the FBR are actively involved in cooperation, information exchange, and enforcement coordination. In pursuance of the shared objectives, delegates from both the Customs Administrations held several meetings (alternately) in China and Pakistan on a wide range of issues during the recent years. While welcoming the distinguished guests, Shabbar
Zaidi, Chairman, FBR highlighted the brotherly relationship, between Peoples Republic of China and Pakistan and termed those to be very cordial and an asset for Pakistan. He stated that this bond could be further reinforced through greater collaboration and exchange of information/data keeping in view best interest of both the friendly countries. He also emphasized upon seamless and the unhindered exchange of values declared in both countries at the time of export so that the menaces of under-invoicing and money laundering could be effectively curbed. He stated that the said matter has also come under active discussion between His Excellency, the Ambassador of China in Islamabad, Yao Jing and himself.

Negotiations were also held about the Green Corridor. Green Corridor will be a fast track Customs Clearance System exclusively for agricultural products at silk route Dry Port (SRDP) at Sust, Pakistan and Khunjerab Dry Port at Tashkurgan on the Chinese side. The other areas of priority discussed in the meeting were removal of obstacles in exchange of information, on real time basis, between both countries about values of goods originating from them. It was urged to have exchange of information/intelligence to effectively control illicit flows of currency. Both sides discussed the development of Authorized Economic Operators Program between both countries. More effective Border Management Cooperation was stressed by both the sides. Muhammad Javed Ghani, the Member (Customs Policy, FBR) highlighted that due to this expeditious customs clearance system, the fresh fruit and other agricultural produce imports and exports will be cleared on priority on fulfilling of due customs and import policy requirements. There will be dedicated Customs staff and separate shed/area for the handling, examination, storage and clearance of such cargo. There will be minimum intrusive examination, with more reliance on risk-based selective examination and automated processing.

In the two days’ meeting, consensus was reached to make an all-out effort to expedite clearances of the agricultural products, under the proposed Green Corridor, at Sost-Khunjarab Border. It was agreed that Border-management cooperation would be enhanced and, for this purpose, focal persons were nominated to have liaison and regular meetings. It was also stressed that Pakistan Customs would share its experiences of roll out of the Authorized Economic Operation Program with its Chinese counterparts and both administrations would closely work towards exchange of information about AEOs for smooth flow of trade between both countries. Cooperation between the local field officers would be enhanced and a working mechanism was decided between Urumqi Customs and the Collector, Model Collectorate of Customs, Islamabad for exchange of information about passengers traveling by air between Pakistan and China. Pakistan Customs candidly shared its concern with the Chinese Delegation about issues in the data received from China under Electronic Data Exchange Mechanism. The Chinese side subscribed to these views and assured its full-fledged cooperation to resolve this matter so that the menace of under-invoicing/over-invoicing and trade-based money laundering could be effectively curbed.
Jul-Nov exports post 4.8pc growth YoY

ISLAMABAD: Exports during July-November 2019 witnessed a growth of 4.8 percent against the same period of 2018, Pakistan Bureau of Statistic (PBS) said. According to PBS, during July-November 2019 the country exported various goods and services worth $9.545 billion against July-October 2018’s exports of $9.109 billion, reflecting an increase of 4.9 percent in the country’s exports. The country’s imports over the period witnessed a decline of 18.41 percent from $23.55 billion during July-November 2018 to $19.213 billion in July-November 2019, while the country’s trade deficit over the period witnessed a decline of 33 percent from $14.44 billion in July-November 2018 to $9.67 billion in July-November 2019. According to export and import figures released here on Thursday, the country’s export in November against October 2019 reached $ 2.011 billion mark from 2.024 billion showing a reduction of 0.64 percent. Similarly, the country’s imports over the period recorded at $3.94 billion from $4.074 billion, which reflect a decline of 3.29 percent on month on month (MoM) basis.

According to PBS, on MoM basis the country’s trade deficit reduced by 5.9 percent as it reached $1.93 billion in November against $2.05 billion in October 2019. On year on year (YoY) basis, the country’s export from November 2018 to November 2019 witnessed a growth of 9.35 percent from $1.84 billion to $2.011 billion, while imports from November 2018 to November 2019 witnessed a decline of 14 percent from $4.58 billion to $3.94 billion. Over the year, the country’s balance of trade improved by 29.65 percent from $2.74 billion to $1.93 billion. During October 2018 to October 2019, Pakistani rupee’s value against the US dollar witnessed a decline of 16.4 percent from 1$=Rs 133.50 to 1$=Rs 155.4 level.

50pc advance payment for imports allowed

KARACHI: The State Bank of Pakistan (SBP) on Thursday allowed banks to make advance payments up to 50 per cent of the value of imports against letter of credit for manufacturing concerns. The decision was taken in the wake of improved foreign exchange reserves, better balance of payments situation and stable exchange rate. Using this facility, manufacturing concerns will be able to import plant, machinery, spare parts and raw material etc. by making payment in advance, the SBP notice read on Thursday.

The SBP in November allowed advance payments of up to $10,000 per invoice for import of raw materials and spare parts to manufacturing concerns for their own use only. At that time, the SBP also eased restrictions on acquisition of services from abroad, such as consultancies. The SBP said the measure will support manufacturing sector by easing restrictions on import of plant, machinery, spare parts, raw material and related items. Earlier in July 2018, in light of dwindling
foreign exchange pressures and deteriorating balance of payments situation, SBP withdrew the advance payment facility for importers. Subsequently, some of the restrictions were relaxed to facilitate imports in critical areas related to medicines, education and defense while most of the restrictions remained in place. After the implementation of a market-based exchange rate system in May, pressures on the foreign exchange market have eased, said the SBP.

The Nation

December 13, 2019

International perception of Pakistan improves in FY 18-19: ABC survey

LAHORE - The international perception of Pakistan had improved in financial year 2018-19 as compared to the last year, reveals a survey conducted by the American Business Council (ABC). Over 59 per cent of the respondents indicated improvement in country’s perception as against 57% during the last fiscal year. The survey allowed ABC members to rate their satisfaction on various economic, regulatory and political factors that affected the performance and growth of business over FY18-19. The business climate was rated on each of the various factors influencing it; including economy, implementation and consistency of government policies, political climate, law and order. Of these factors the economy and implementation of policies were rated as being unsatisfactory by over half of the survey participants and 75% of the respondents had marked increasing costs ie. utilities, duties and taxes as being the biggest challenge affecting business operations adversely. However, a positive indicator is that over 90% of the respondents were optimistic about the long term (2+ year) economic and operating climate. The survey also revealed the optimism of American Investors with over 40% of the respondents marking Pakistan being one of the many destinations for near term global investment plans and quite a few marking Pakistan as being a top priority for future investment.

American Business Council of Pakistan President Mr Adnan Asad, said: “I am very optimistic about the future of the country, after a very long time the country is spearheaded by an honest, committed and hardworking leader. “The first year was geared towards correcting the course and putting Pakistan on track. The country had to pay for it by way of price hikes, inflation and extremely high interest rates,” he added. “I foresee 2020 as a stable year with the economy settling down and the business environment improving and normalizing. All economic indicators show a positive and optimistic picture, law and order is at its best, the government is striving to implement its policy of ‘Ease Of Doing Business’,” said President ABC. “We need to be patient and provide all support to the government to succeed so that we are classified as a developing first world country,” he added. ABC is one of the largest investor groups in Pakistan with 65 members which contribute a sizeable amount to the national exchequer every year as direct and indirect taxes – last year the members contributed Rs 109 billion and exported goods worth Rs 40.64 billion. They employ over 130,000 people directly and indirectly employ nearly one million people through their networks of agents, distributors, contractors etc.
Export of services jumps 20pc

ISLAMABAD: The export of services surged by 20.08 per cent year-on-year to $531.07 million in October from a year ago, the Pakistan Bureau of Statistics reported on Friday. The services exports revived after shrinking over the past few months. Between July and October, the exports of services were also up marginally by 2.36pc to $1.75bn, as against $1.7bn over the corresponding months last year. In 2018-19, export proceeds of services were recorded at $5.37 billion in 2018-19, from $5.28bn over the preceding year, reflecting a paltry growth. Meanwhile, in FY18, services exports had declined 7pc year-on-year to $5.4 billion. The services sector has emerged as the main driver of economic growth with its share in GDP increasing from 56pc in 2005-06 to nearly 59pc in 2017-18. Its major sub-sectors are finance and insurance, transport and storage, wholesale and retail trade, public administration and defence. Meanwhile, the import of services reached $3.11bn in July-October FY20, from $3.07bn in same months of last year.

Pakistan playing key role in development of South Asian region: Dawood

LAHORE-Advisor to Prime Minister on Commerce Abdul Razak Dawood Friday said Pakistan is playing a key role in the economic development of the South Asian region and to attain the dream of possible regional integration. In his congratulatory message to SAARC CCI Senior Vice President Iftikhar Ali Malik for nominating his name for the slot of SAARC CCI President for term of two years, he said this is the honour for Pakistan to have Iftikhar Malik’s name as President of the most prestigious regional trade body and this also is an acknowledgement of his untiring 29 year efforts for promoting of regional trade and bringing the business leadership of all the South Asian countries closer to Pakistan. He further said that Pakistan believed in regional development through the platform of SAARC as it was the way forward for peace in the region. Pakistan, he added, would continue to play its part to fulfill hopes of the people of the region. The region had abundant human and natural resources, with one-fifth of the humanity and untapped opportunities for the development of the region, he added.

Abdul Razak Dawood said the social charter of the organization was the real way forward and his country would support all initiatives by SAARC in this regard. He also urged greater role of the organization in the health and education sectors. SAARC CCI Senior Vice President Iftikhar Ali Malik extended his gratitude towards Abdul Razak Dawood and assured him that he would utilize all his energies for promoting of regional trade and Pakistan’s role in building a prosperous South Asia is imperative. He further said there is dire need of reducing costs of commodities so that trade among the SAARC countries should be promoted to its maximum size. He said Pakistan had all resources to become an economic giant but only need is to set directions with zeal, courage and sincerity. He said Pakistan’s huge mineral resources could help get rid of the economic ills. Reiterating his earlier stance, Iftikhar Malik said he is much
optimistic that Prime Minister Imran is doing his best leadership flair and available resources for the promotion of trade and industry in South Asian region.

The Nation
December 14, 2019

Stock market jumps by 402 points

ISLAMABAD - Pakistan Stock Exchange (PSX) Friday noted bullish trend as KSE 100 Index closed at 40,916 points as compared to 40,514 points on previous day with positive change of 402 points (0.98%). A total of 140,344,890 shares were traded compared to the trade 154,104,000 shares during the previous day, whereas the value of shares traded during the day stood at Rs 9.7 billion compared to Rs 6.66 billion during last trading day. Total 368 companies’ transacted shares in the Stock Market today, out of which 215 recorded gain and 133 sustained losses whereas the share price of 20 companies remained unchanged. The three top traded companies were, Unity Foods Ltd with a volume of 28,256,000 shares and price per share of Rs15.36, Bank of Punjab with a volume of 14,831,000 and price per share of Rs11.94, and FFL with a volume of 13,577,000 and price per share of Rs15.86.

DAWN
December 15, 2019

Banking link needed to improve Pak-Iran trade

KARACHI: An Iranian trade delegation, led by former attaché Morad Nemati, while visiting the Karachi Chamber of Commerce and Industry (KCCI) on Saturday, said that it was essential to remove trade barriers and reduce custom duties to improve trade relations between the two neighbors. They also called upon establishing legal channels to encourage legal trade and discourage smuggling. Nemati added that in addition to bringing down the high custom duties, formal banking channel between the two countries must be activated as demanded by the business community of the two countries since quite some time now. While referring to China Pakistan Economic Corridor, Nemati said the project will open opportunities not just for Pakistan but also for Iran and if Tehran chooses to become part of this project, it would surely ensure prosperity in the entire region. He also underscored the importance for the business communities from the two countries to meet more frequently and improve contacts, besides holding single country exhibitions which would improve bilateral trade and investment. Nemati assured full support and cooperation to the business community to improve trade and explore new avenues in trade cooperation.

Earlier, KCCI Vice President Shahid Ismail said that despite being brotherly countries, trade volume between Iran and Pakistan remains abysmally low. He advised the two sides to make collective efforts and explore new avenues. He pointed out that the bilateral trade between Pakistan and Iran was much less than the potential as Pakistan’s exports to Iran stood at a mere $330.2 million while the imports were around $1.247bn during 2018. Ismail noted that the negotiations for Free Trade Agreement (FTA) are underway as both countries have shared their
desire to upgrade Preferential Trade Agreement into a FTA for which initial drafts have already been shared while the State Bank of Pakistan (SBP) has also shared its draft for a Memorandum of Understanding (MoU) for signing its Banking Paying Arrangement with Iran’s Iranian Bank Markazi Jomhouri. Both countries have already signed MoU to open central banking channels for trade transactions and reduce the usage of dollar account for Letter of Credit clearance. - PPI

The Nation
December 15, 2019

CPFTA Phase-II to increase Pak exports to China

BEIJING - China will provide more opportunities for Pakistani competitive goods to access the Chinese market under the China-Pakistan Free Trade Agreement Phase-II that came into force on December 1. “CPFTA Phase-II is a critical initiative to strengthen trade liberalization and deepen the all-weather strategic partnership between Pakistan and China. It will provide more opportunities for Pakistani competitive goods to access the Chinese market and the bilateral trade between two countries will be developed in a more balanced way,” Dr Wang Zhihua, Minister Counsellor in the Economic and Commercial Office of the Chinese Embassy in Pakistan told China Economic Net here on Wednesday.

CPFTA Phase-II came into force on December 1, 2019, under which the tariff concession on goods will be implemented from January 1, 2020. Elaborating on the new stage of China-Pakistan bilateral trade relations, he said that China Pakistan Free Trade Agreement is the first FTA China signed with a South Asian country. Since its implementation in 2007, the bilateral trade volume soared from USD4 billion to USD15.6 billion, and the export volume from Pakistan to China rose from USD575 million to USD1.85 billion in FY2019, he added. In 2011, China and Pakistan launched the second phase of negotiations on the FTA. After a total of eleven meetings, the Protocol of the CPFTA Phase-II was formally signed at the Second “Belt and Road” Forum for International Cooperation held in Beijing in April this year. Upon the approval of the legal procedures of both parties, CPFTA Phase-II has come into force on December 1, 2019 and the tariff concession measures will be implemented from Jan 1, 2020. He said that CPFTA Phase-II is a significant measure to implement the consensus reached by both countries’ leaders. It fully reflects China’s determination to uphold the multilateral trading system given the increase in the unilateralism and trade protectionist rhetoric on the world economy. Moreover, it will deepen the all-weather strategic partnership between the two sides.

Dr Wang said that the revised CPFTA marks a milestone for the economic and trade relationship of the two countries. More competitive products will be exported to each other due to the reduced tariffs. “Take Pakistan for instance, it could export more competitive goods such as agricultural and textile products to China and increase its trade volume” he added. Furthermore, the Phase-II of CPFTA will enable China to import more high value-added goods from Pakistan, which will drive Pakistani export-oriented industry and enable Pakistan to better integrate into regional industry chain and value chain. While commenting on the main difference between the CPFTA Phase-II and the previous one, he said that compared with the previous one, the revised CPFTA mainly reduces the tariffs and increases the level of trade liberalization of goods between the two countries. After the implementation of CPFTA Phase-II, the proportion of the tax items
of mutual zero tariff products between China and Pakistan will gradually increase from the previous 35% to 75%, and the level of liberalization will increase more than double.

Both sides will cancel the tariffs for 10% tariff lines next year, 15% in five years, and the rest 15% in ten years. In addition, the two parties will also implement a 20% tax reduction onto other products that account for 5% of their own respective tariff lines, he added. In order to accommodate Pakistan’s concerns, China makes special arrangements in the revised FTA, under which 90% of China’s imports from Pakistan will enjoy duty-free treatment, while Pakistan is to realize zero tariff on 67% of its trade volume. This fully reflects the special friendly relationship between the two sides. He said in the Protocol of the revised FTA, customs cooperation is added besides the upgrading and amending of the market access, the table of tariff concessions for goods trade, rules of origin, trade remedy, investment, etc. in the previous FTA. Concrete measures will be implemented to further reinforce the customs cooperation such as the customs electronic data exchange. Regarding major products to be eligible for tariff concessions after the CPFTA Phase-II take effect, he said on the basis of mutual benefit and win-win situation, China and Pakistan will include 80% of their tariff lines into tariff reduction. China will adopt policies to grant zero-tariff treatment to 313 advantageous products which Pakistan concerns most, including cotton yarn, textiles, nuts and household accessories.

The Nation
December 16, 2019

Tarar urges Canadian firms to invest in Pakistan

ISLAMABAD - High Commissioner of Pakistan to Canada Raza Bashir Tarar said Pakistan’s liberal investment policy provided conducive environment for the Canadian firms to invest and make profit. Addressing an annual general meeting of Chamber of Trade (CPACT), the high commissioner said Pakistan considered Canada as very important partner because of the size of its economy and membership of important fora like G-7, G-20, WTO and the Commonwealth. “Pakistan is keen to engage in a full spectrum partnership including in trade and investment sectors,” a press release received here Sunday quoted Tarar as saying. The high commissioner hoped that with the efforts of CPACT, the Canadian firms would avail the opportunity to invest in Pakistan and make profit like others from different countries. “The political leadership of Pakistan is focused on strengthening governance; accountability and transparency; and is striving hard to achieve poverty alleviation. As part of the National Action Plan, the Government has clamped down on money laundering and illegal money transfers”, he added. Tarar said Pakistan, being located on the crossroads of landlocked regions and strategic sea lanes of communication, offered attractive business opportunities and met the priority areas for Canada’s expertise like industrial machinery, ICT, infrastructure, mining, clean technologies, agriculture and high education sectors. He also briefed the CPACT about the tourism potential in the country and said the Government was, inter-alia, striving to develop tourism industry in the country, a great potential which had not been fully explored so far. Religious tourism was being given great attention, he added.
Pakistan offers ample business opportunities for Chinese traders

Lahore - Pakistan Industrial and Traders Associations Front (PIAF) Chairman Mian Nauman Kabir on Sunday observed that Pakistan offers ample opportunities of trade for Chinese businessmen in almost all the sectors or sub-sectors of economy to become closest trading partner of China. While talking to Chinese Lahore Consul General Long Dingbin along with the PIAF delegation here at Chinese Consulate, he said that in the context of ongoing project of China Pakistan Economic Corridor (CPEC), the importance of private to private contacts had mounted, and in this scenario, trade and industrial associations role has widened. He mentioned Lahore has a special significance being the hub of business activities in Punjab. Both public and private sector organizations were striving hard to fully exploit trade and investment potential of Punjab in collaboration with foreign investors, he said and added that China was first choice for Pakistani businessmen to join hands for joint ventures. He appreciated the Chinese Consulate for opening up the first visa application service center in Lahore recently to facilitate applicants wishing to visit the country. He called it a landmark step, as earlier residents of Lahore had to travel to Islamabad to apply for a visa to China. This new place will provide enormous relief to businessmen and visitors. Lahore is an important city and the new hub of economic activity in Punjab, he added.

He said that Pakistan is looking Chinese businessmen for making joint efforts aimed at boosting bilateral trade and economic relations. PIAF chairman, who is also former LCCI senior vice chairman, hoped the state-level cooperation between two countries would bring greater fortune to both. He said that status of two-way trade was bound to improve in a decade or so because once the CPEC project became fully functional, a win-win situation would take place for Pakistan and China. In the meantime, we need to interact on regular basis for exploring avenues for trade expansion and opportunities for investments, he added. He said that China-Pakistan Economic Corridor promises greater fortunes for Pakistan and it would certainly prove to be a game-changer. Mian Nauman Kabir said that Pakistan and China, being geo-political partners, had very cordial relations. Be it electricity generation, infrastructure development, technology transfer, knowledge sharing or joint venture projects with Chinese firms, Pakistan knows that tomorrow is bound to get better than today. He said that China was well positioned to take advantage of Pakistan's economic potential and its geo-strategic location, asserting, "Let us make trade and investment the central pillar of this cooperation."

On this occasion, Chinese Consul General Long Dingbin underscored that limitless opportunities existed as a result of CPEC's execution and emphasized that Pakistan needed to bring about far-reaching reforms in various socio-economic sectors to get maximum advantage of CPEC. He also highlighted China's experience of miraculous reforms that changed the destiny of China. The both sides emphasized that greater synergies may be created to deepen linkages between Western China and Pakistan. They noted that rising cost of labor in China as well as labor shortages were an opportunity for Pakistan to devise attractive policies which can help relocation of Chinese industries to Pakistan.
Country to achieve bumper wheat crop during current season

ISLAMABAD - Owing to multiple factors that include government initiatives to enhance the output of major crops, favorable weather conditions and timely harvesting of seasonal crops, country was expecting to harvest bumper wheat crop of 27 million tons during current season as against the last year's produce of 24.47 million tons. Every year delay in harvesting of two major cash crops including sugarcane and cotton were attributed to delay in wheat cultivations and decrease in area under crop sowing, but due to timely intervention of the government the sugarcane crushing season has started by the end of November as 12 sugar mills in Sindh and 4 in Punjab have started sugarcane crushing, said Food Security Commissioner in the Ministry of National Food Security and Research Dr Imtiaz Ahmad Gopang. While talking to APP here on Wednesday, he said that the other factor in increased sowing was harvesting of cotton due to pest attacks as the farmers harvested the crop and cultivated the wheat to achieve higher output as substitute and profit maximizer.

The third factor was timely rains across the wheat growing areas, particularly these rains boosted the cultivation of seasonal crop in Potohar Region which was comprising on 10 to 12 percent total land under wheat production, he added. The Commissioner informed that so far ministry has received the sowing data from two provinces including Sindh and Balochistan, whereas data from a major wheat producing province Punjab and Khyber Pakhtunkhwa was awaited that would be received in couple of days. He said that according the wheat sowing data of Sindh, the province has achieved about 51% of targeted area by the start of current months as compared the 36% area of the same period of last year. In Sindh, wheat has been cultivated on over 583,863 hectares as against the set target of 115,000.

Dr Imtiaz further informed that wheat sowing during same period of last season was recorded at 480,000 hectares, adding that so far start of crop sowing was encouraging and would gain momentum during the days to come and help in achieving the higher output as compared to last season. Meanwhile, he said that due to timely rains, the wheat sowing in Balochistan also witnessed increasing trend as crop have been cultivated over 49% of targeted area as an area of 215,900 hectares were put under the wheat crop against the set target of 550,000 hectares for the current season.

Digital Pakistan through Green Banking

Recently the Prime Minister of Pakistan launched the ‘Digital Pakistan’ program with the vision to accelerate the journey of a developed and interconnected Pakistan in a Clean, Green, Paperless, transparent and efficient manner. On a global level, the journey of digitalization started with the ‘Industrial Revolution (IR) 3.0’ or the ‘Digital Revolution’ which marked the
adoption of computers and automation systems in various business sectors. The next IR, i.e. Industry 4.0 took the ideology of digitalization to new heights with the ‘combination of cyber-physical systems, the Internet of Things and the Internet of Systems in which computers are connected and communicate with one another to make decisions with little or no human involvement’. In addition to the numerous benefits offered by IR 4.0 to all the stakeholders, one of the greatest advantages of digitalization is the development of a Clean and Green economy. Various industries have made great strides in the area of digitalization and the global banking industry is no exception. The banking sector is one of the largest consumers of resources such as paper and electricity through the extensive networks of branches and Automated Teller Machines (ATMs). The carbon footprints of this industry are not just limited to its daily banking operations. All over the world banks have been involved in financing polluting industries such as fossil fuels, textiles, mining, chemicals, etc. and playing a significant role in global climate change and natural resource degeneration. However, Green Banking through the technologies of digital banking can play a significant role in minimizing the adverse environmental impacts of a bank’s business operations.

Green Banking involves digitalizing bank operations through the concept of the “Bank of Things”. This is derived from the concept of “Internet of Things (IoT)”, which involves the “network of interrelated computing devices that connect and exchange data with one another via the Internet”. The Bank of Things (BoT) technology enables banks to be in continuous contact with their customers through cyberspace and offer limitless services, such as automated guidance on investment, spending, savings, etc. based on the customer’s real-time financial data thereby eliminating the use of various resources that are required in providing banking services through a brick and mortar operations. The world is moving towards cyberspace banking with banks operating in cyberspace without any branches. This digitalization of the banking services will eliminate the branch’s carbon footprints and save resources at the consumer end as well. Banks are launching Artificial Intelligence (AI) and Machine Learning (ML) powered robots to assist its customers to search transactions, transfer and deposit funds and get advice on financial products. Banks are also using “BoT” in a number of other operations, such as gathering Know-Your-Customer (KYC) data. With the use of technology, banks can reduce money laundering and complete the KYC process using the customer’s digital signature without any delay and secure the data using cryptographic techniques such as blockchain technology. Powered by 5G internet, global banks are using cloud computing and quantum computing to provide consumers with immense data processing capabilities through everyday devices. The rapid adoption of cryptocurrency is also an important milestone in the digitalization and ultimate greening of a country’s economic system. The Financial Action Task Force (FATF) is also introducing regulations for cryptocurrency transactions to reduce the risk of money laundering.

As the developed countries are envisioning and planning their journey towards IR 5.0, the Digital Pakistan program is an effort by various organizations to take Pakistan in the era of Industry 4.0. The effects of digitalization are emerging in a number of business sectors and government organizations in Pakistan. Some examples of government’s digitalization initiatives include automation of the National Database and Registration Authority (NADRA), Land Revenue Authority, E-Enablement of Federal Investigation Agency (FIA), Prime Minister office computerization program, computerization and execution of government cases, development of mobile apps for Wafaqi Mohtasib and corruption complaints, etc. The effects of digitalization
can also be seen in the Pakistan banking sector. The majority of banks have launched their mobile apps and web-based services for the customers. Digital services such as digital wallets, one-touch banking, biometric verification, collaborating with information technology companies and interconnecting customer data with other organizations are being implemented. The State Bank of Pakistan (SBP) is planning to issue digital currency by the year 2025 and also working on implementing digital currency regulations for Anti-Money Laundering (AML) measures. As compared to the global scenario, the Pakistan banking industry is still at the infancy stages of digitalization.

The adoption of digital banking needs to be synergized with the ideology of Green Banking. Digital Pakistan and Clean and Green Pakistan Index are not two separate initiatives. These are in fact paths leading to a common vision, i.e. a Clean and Green Pakistan. Similarly, if our banking industry wants to minimize its adverse environmental impacts and benefit the natural environment than it needs to be digitalized. A digital bank is truly a Green Bank. Green Banking promotes the development of a digital and paperless banking industry that can act as a facilitator for the digitalization and ultimate greening of all the other business sectors in an economy. Green Financing by Green Banks can ensure the provision of investment required for various green business initiatives such as the renewable energy scheme by the State Bank of Pakistan or the digitalization of various industrial sectors. However, the digitalization of any sector of an economy cannot be achieved without first providing awareness, education, and training to all the concerned stakeholders. The President of Pakistan has also linked the success of Pakistan’s digital revolution with the trained human resource in the respective areas. Currently, the majority of the stakeholders have a low level of awareness or knowledge regarding Green Banking adoption. The government needs to realize that the banking industry is one of the major contributors to the country’s economic growth and interconnected with all the other business sectors. It should facilitate the digitalization and ultimate greening of Pakistan’s banking industry. The vision of a Digital Clean and Green Pakistan is not possible without a Green Banking industry.

The Nation

December 16, 2019

Huawei’s investment in developing ICT talent is enabling Pakistan to upgrade its IT industry

LAHORE - “China is exemplary in the way it rapidly progresses in the information and communication technology (ICT) sector, and Huawei’s investment in developing ICT talent is enabling Pakistan to upgrade its information technology industry”. These thoughts were expressed by Naghmana Hashmi, Ambassador for Pakistan in China, during a speech at the award ceremony for Huawei’s Middle East ICT Competition 2019 at company headquarters in Shenzhen, China. Two teams from Pakistan participated in the final, earning second and third place. At the award ceremony, Hashmi stated: “In the futuristic era of digitalization, the importance of ICT cannot be underestimated. With the advancement and innovation in modern technology, ICT has come to the fore as the primary vehicle of sustainable and robust development around the globe. Huawei’s initiatives to launch smart schools in Pakistan, in
addition to the Huawei ME ICT Competition, enables us to build young talent within the sector to prepare them, and the country, for the digitally-driven world of tomorrow.”

The ICT sector is having an increased impact on societies and businesses alike. Countries across the region recognize this, and have implemented plans – such as Pakistan Vision 2025 – to take advantage of new technologies such as 5G, artificial intelligence (AI), and cloud, which support the realization of digital transformation, national plans and visions. In order to do this, however, there is a need to address the talent gap that currently exists within the ICT sector. Huawei is keen to support the development of the ICT ecosystem in Pakistan. One of the ways it does so is the Huawei ME ICT Competition, in partnership with the Higher Education Commission Pakistan, which nurtures local ICT talent, working with government authorities, colleges and universities in the Middle East to identify, support, and grow the future leaders of ICT. The competition promotes innovation and creativity while increasing national ICT competitiveness and encouraging local communities to contribute towards achieving digital transformation and economic growth.

The Nation
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Pakistan exports Rs.7.7 billion salt in five years

ISLAMABAD - Pakistan has exported around 647,978 Metric Ton (MT) rock salt, which is known in the world due to its best quality, and generated Rs 7.776 billion income during the last five years. “The government is committed to promoting the export of value-added salt product as the country has over 10 billion tonnes of deposits stretching over 209-kilometer area between Jhelum and Indus rivers,” a senior official privy to mineral sector developed told APP. He said the pink salt was exclusively produced in Pakistan, which established the country’s monopoly over the product across the world. “There are as many as six salt mines and quarries, operating under Pakistan Mineral Development Corporation (PMDC) and contributing around 58 percent of the total salt production.” However, he said the pink salt was extracted from three, out of six, salt mines including Khewra, Warcha and Kalabagh, and exported both in raw and processed form at the price determined by the market forces, which varied in line with the demand in the international market.

The official said the Commerce Division held several meetings with all stakeholders, who had decided that the PMDC would identify a list of machinery and equipment used in the mining and processing of the rock salt for their import on reduced or eliminated customs duties/taxes. “It will help export promotion of the value-added salt products.” The PMDC, he said, was in the process of finalizing terms and condition of joint venture with two private sector firms to establish a state-of-the-art crushing plant in Pakistan. “The corporation has also suggested holding a Salt Expo in Pakistan in the coming months.”
Pakistan signs IA with Chinese company for 1320MW coal-based project

ISLAMABAD - Pakistan has signed implementation agreement (IA) with Chinese company for 1320MW Thar coal-based power generation CPEC umbrella project. Managing Director PPIB, Shah Jahan Mirza signed the documents on behalf of the Government of Pakistan (GoP) while Meng Donghai, Chief Executive Officer of M/s Thar Coal Block-I Power Generation Company Limited (TCB-I), represented the Chinese company at the signing ceremony. The power purchase agreement (PPA) of the project has already been executed. The implementation agreement (IA) of Pakistan’s largest Thar coal-based power generation project of 1,320 MW power generation capacity has been signed at Private Power and Infrastructure Board (PPIB) for materializing the financing of 1,912.2 million US$ as the cumulative project cost. The project is based on Super Critical Technology. The 1,320 MW Shanghai Electric Thar Block-1 Coal Project is being developed under the umbrella of China-Pakistan Economic Corridor (CPEC) through Project Company i.e. TCB-I while M/s Shanghai Electric Group Company is the main sponsor of this project. The project will utilize Thar Coal supplied by Sino Sindh Resources Limited which is executing coal mining operations for coal extraction in the Thar coalfield Block-I. Letter of Support has already been issued to the project by PPIB while financial closing is expected to be achieved very soon.

It is anticipated that Shanghai Electric Thar Block-1 Coal Project will start generating electricity in March 2021. Latest advancements by this project will pave the way for timely commissioning of the Project. The project will be connected with the 660 +kV Matiari-Lahore HVDC Transmission Line Project for power transmission. This transmission line project is also being implemented by PPIB under CPEC which is currently under construction and targeted to be operational by March 2021. Being fully compliant with the World Bank/IFC standards, the addition of 1,320 MW of indigenous, affordable and reliable electricity will not only energies the national grid, it will also result in savings of foreign exchange of around Rs 75 billion annually on account of fuel cost, generate economic activities and employment opportunities for the people of Thar in particular and will also entail improvement of the basic infrastructure in the vicinity of these projects. Further, this will boost the confidence of the investors who are interested in thar coal mining and power generation. Speaking at the occasion, Managing Director PPIB Shah Jahan Mirza said that PPIB is acting as the lead organization of the GoP in developing indigenous resources like Thar coal and hydro for power generation and has so far achieved considerable success which include commissioning of Pakistan’s first Thar coal based 660 MW Engro Powergen and two hydro IPPs namely 84 MW New Bong and 147 MW Patrind. PPIB has been quite successful in implementing another six thar coal-based power projects of 4,290 MW which are at different stages of development, he added.
Pakistan, US to boost agri cooperation

ISLAMABAD: Pakistan and the United States will hold talks on cooperation in areas of agriculture in February next year. Though the dates are yet to be announced, Food Security Minister Makhdoom Khusro Bakhtyar told US Ambassador Paul W. Jones during a meeting here on Tuesday that Prime Minister Imran Khan had emphasized that agricultural cooperation between the two countries must be prioritized. Bakhtyar said that the government is looking forward to working in developing cold chain, value addition facilities in various horticulture products, dairy and meat. Joint ventures in these areas would be a convenient approach for unleashing potential in a short span of time, he suggested. He said the government is looking for a healthy cooperation in agro sector especially tapping on Pakistan’s significant halal meat production and entering the world market through US support. ‘We are focusing on mutual collaboration by providing enabling platform in public sector, and the incumbent government has launched largest agriculture development programme worth over Rs3 billion, which shows our commitment towards the revival of this sector, he said. Bakhtyar informed the envoy that achieving high yield through scientific means would enable the government to plan the crop sowing priorities and meet the challenges of production, especially enhancing cotton, pulses and edible oil growth indigenously for there is a huge import bill of these commodities.

Foreign investment jumps 78pc on telecom inflows

KARACHI: Foreign direct investment (FDI) into the country jumped by 78 per cent in the first five months of current fiscal year mainly on account of large inflows in the telecommunication sector. The massive jump in the FDI comes after one-off payments were made by the telecom companies Telenor, Warid and Zong for licence renewal during the first five months of current fiscal year. Latest data released by the State Bank of Pakistan (SBP) showed the country received $850 million in FDI during July-November period against $477.3m in the same period last fiscal year. The data further revealed that net inflows of $19.5m in the portfolio investment account, during the first five months of current fiscal year compared to an outflow of over $330m in the corresponding period last year, helped bolster the overall tally of foreign investment. The FDI inflows in November also increased to $285.4m compared to $200m in the same month last year, largely on account of a $70mn capital injection made by Telenor into its bank.

According to the SBP report, private foreign investment jumped by 493pc to $869.7m during the period under review compared to $146.7m in the same period last fiscal year. The data showed that foreign public investment in government debt papers i.e. T-bills -rose to $1.137 billion which pushed the overall investment in the country to $2.0bn. Compared to that, public investment during the same period last fiscal year was almost zero. Despite being largest investor in the country, China was second to Norway during the period under review as investments from Beijing clocked in at $141.9m compared to $94m in the same period last fiscal year. Moreover,
Norway emerged as the leading foreign investor with the inflows of $334m against a net outflow of 74.2m in the last fiscal year. The investment included the license renewal fee paid by the Norway based telecom firm and $70m capital injection into the Telenor Microfinance Bank. On the other hand, the cumulative $100.8m inflows from the UK came under the FDI and portfolio investment accounts at $65.1m and $35.7m respectively.

Sector-wise data showed the telecommunication attracted highest amount of $280.4m against a net outflow of $122.7m during the same period last year. Financial business received an investment of $131m during the period compared to $64.9m last year. Investment in the electrical machinery sector dipped to $83.4m compared to $124.4m last fiscal year. Further, investment in the power sector, which has been the pick of investors during the last few years, clocked in at $53.7m in the first five months of current fiscal year compared to a net outflow of $346.7m during the same period last fiscal year. The biggest debacle was noted in the construction sector where foreign investment rose rapidly in the last few years but the inflows in the current fiscal year clocked in at $7.5m compared to $242.7m last year.

December 18, 2019

Slight increase in textile exports

ISLAMABAD: The exports of textile and clothing grew by 4.68 per cent year-on-year to $5.76 billion during the first five months of 2019-20, showed data released by the Pakistan Bureau of Statistics on Tuesday. The overall improvement in current account after a gap of five years was mainly contributed by increase in exports of textile and clothing and decline in import of oil and food products. In November, textile and clothing export proceeds were recorded at $1.17bn, higher by 7.03pc, from $1.09bn over the corresponding month last year. Product-wise details reveal that exports of knitwear increased by 8.69pc in value and 6.05pc in quantity, followed by 4.69pc and 14.37pc in bedwear, respectively. Foreign sales of readymade garments rose by 13.19pc in value and 35.95pc in volume while proceeds from towel only inched by a modest 1pc. Moreover, export of cotton yarn were higher by 2.87pc, followed by raw cotton at 3.67pc, yarn other than cotton 2.81pc, art and silk 10.7pc and cotton carded 100pc while that of cotton cloth declined by 3.74pc. The aggregate exports bill enhanced 4.79pc year-on-year to $9.54bn in July-November, from $9.10bn.

Oil imports

Meanwhile, the import bill of petroleum group dipped 21.79pc to $5.11bn during the five months, with the largest drop coming from crude oil at 28.01pc, which fell by 11.65pc in terms of quantity to 3.35m tonnes. The cost of petroleum products plunged 25.66pc during the period with 14.44pc decline recorded in terms of quantity imported, bringing the total down to 3.9m tonnes. Liquefied natural gas imports were down 8.43pc while those of liquefied petroleum gas surged 32.38pc. Machinery imports decreased 3.97pc to $3.58bn, from $3.72bn last year, led by office machinery, down 17.03pc, textile 1.7pc and construction 41.8pc. Contrary to this, in telecom, mobile handsets soared 63.62pc to $498.46m while other apparatus plunged by 23.61pc to $184.29m. The increase in former was the result of crackdown on smuggling and doing away with free imports in baggage schemes. Similarly, import of electrical machinery jumped by 31.34pc to $971.34m on a yearly basis. On the other hand, import of machineries related to
agriculture, textile, construction among others declined. The overall transport group also witnessed a decrease of 41.91pc as imports of motor vehicle (CBU) were declined by a massive 73.9pc during July-November. Meanwhile, food group imports fell by 15.36pc during July November mainly due to imposition of regulatory duties on proceeds. The decline was noted in imports of milk product, wheat, dry fruits, tea, soybean oil, palm oil, sugar, and pulses. On the flip side, import of spices increased by 1.26pc.

Pakistan’s textile, clothing exports plunge by 4.68 percent

ISLAMABAD - Pakistan’s textile and clothing exports grew by 4.68 percent during the first five months (July to November) of the current of 2019-20. The country’s textile exports had recorded growth of 4.68 percent and surged to $5.763 billion during July to November period of the year 2019-20 as compared to $5.506 billion in the same period of last year. The latest data of Pakistan Bureau of Statistics (PBS) showed that the country’s textile exports had increased by 7.03 percent to $1.177 billion in the month of November from $1.099 billion in the same period of last year. In the value-added sector, exports of knitwear were up by 8.69 percent followed by 4.69 percent in bed wear. Exports of ready-made garments rose by 13.19 percent while proceeds from towel only inched by a modest one percent. The data showed that exports of cotton cloth had recorded a decline of 3.74 percent. Exports of tents, canvas and tarpaulin witnessed decrease of 1.41 percent. Meanwhile, exports of made-up articles (excluding towels and bedwear) had declined by 6.25 percent. The PBS data showed that exports of food commodities had recorded an increase of 16.2 percent during first five months of the current fiscal year. In food commodities, exports of rice recorded growth of 38.58 percent, fruits exports increased by 2.18 percent and oil seeds, nuts and kernels exports had gone down by 48.55 percent.

Pakistan’s overall exports grew by 4.79 percent to $9.54 billion in July-November period of the current fiscal year as against $9.10 billion during the same period last year. However, the country’s imports in the first five months of current fiscal year clocked in at $19.21 billion, down by 18.41 percent from $23.54 billion over the corresponding period last year. The trade deficit had narrowed to $9.66 billion in July-November from $14.43 billion over the corresponding months last year. Pakistan’s oil imports have reduced by over 21.79 percent in July to November of the current fiscal year. The country’s had spent $5.11 billion on importing oil in five months of the year 2019-2020 as compared to $6.534 billion in the corresponding period of the previous year. The PBS data showed that the import of petroleum products had shown decline of 25.66 percent to $2.174 billion. Similarly, import of petroleum crude had reduced by over 28.01 percent to $1.486 billion. Meanwhile, imports of natural gas liquefied had cost $1.334 billion and imports of petroleum gas liquefied recorded at $114.9 million. All the groups including food group, petroleum good, consumer durables and raw materials have witnessed hefty decline in imports during the July-November period of 2019-20 over the same period last year. Food imports had contracted 15.36 percent to $2.089 billion during July-November period of 2019-20, from $2.468 billion in corresponding months last year. Similarly, imports of transport group had posted a 41.91 percent decline, with decrease in imported value of almost all subcategories. On
the other hand, agriculture imports inched down by 16.39 percent to $3.23 billion in July-
November period of the current fiscal year from $3.864 billion in the same period of last year.

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**Pakistan looking for cheaper renewable energy options**

ISLAMABAD - Planning Commission Deputy Chairman Muhammad Jehanzeb Khan Tuesday said that Pakistan encompassed high-quality options of renewable energy for providing low-
priced energy to the household and industry for sustainable development in the country. Deputy Chairman, Planning Commission stated that “By 2030, Pakistan has a great opportunity to transform its energy systems by improving energy efficiency and incorporating more renewable energy into its mix”. He said this while addressing a launching ceremony of the national action plan and investment prospects on talk on “Sustainable Energy For All (SEforALL)” jointly organized by Planning Commission and United Nations Development Programme (UNDP) in Pakistan”. He said that through renewable energy, Solar would be huge source of economic energy and in summer days the country can process solar energy not only for household but also for industrial united. Jehanzeb Khan said the government was committed for providing cheap energy through different option and long, short- and medium-term strategy had been evolved in this regard. He said that management of power sector was necessary to properly utilize the energy source in the country. He said that Pakistan was facing the challenge of energy conservation and “We need to work on this issue for sustainable growth in energy sector”.

The implementation of this UNDS report will be important to achieve the benefits and self-
reliance in energy sector. He emphasized to participation of private sector in the energy sector for growth to achieve the economic development agenda in the country. Deputy Chairman, Planning Commission, reiterated that Pakistan needed global competitiveness’ in this sector to enhance the sustainable industrial growth for accomplishing the economic targets. He said that all the stakeholders would join the hands for attaining the economic energy source and sustainable development. The event highlighted the importance of access to sustainable energy for achieving the Sustainable Development Goals (SDGs). While, Resident Representative, of UNDP Pakistan, Ignacio stated “UNDP has been supporting the government in the development of the National Action Plan on Sustainable energy for All (SEforALL)”.

**DAWN**
December 19, 2019

`Pakistan can be food basket of world`  

LAHORE: China’s technological advancement and expertise can help Pakistan to serve as a food basket to this part of the world. Lahore Chamber of Commerce and Industry (LCCI) President Irfan Iqbal Sheikh expressed these views while addressing a six-member trade delegation from China on Wednesday. He said that Pakistan has vast fertile land, all weathers and one of the best canal systems in the world but has been unable to reap benefits due to lack of modern
technologies. Sheikh said that China had transformed itself into an economic giant and is already playing a vital role to make Pakistan prosperous. Transfer of technology would ensure speedy growth for Pakistan’s industrial and agriculture sectors. Government-to-government collaboration supported by frequent interactions between private sector representatives is encouraging, he added.

The bilateral trade volume between Pakistan and China was above the $16 billion while China was the highest contributor to the net foreign direct investment in Pakistan. Sheikh said that there are countless opportunities for Chinese investors in various sectors of the economy including engineering, surgical instruments, pharmaceuticals, value added textiles, leather products, poultry/meat and agriculture machinery. Moreover, he added that it was important that there should be win-win situation for all the stakeholders. "It is the right time to invest in Pakistan, he said while lamenting that despite having skills, labour in Pakistan was cheap compared to China, therefore, investors should avail this opportunity by setting up joint ventures with their Pakistani counterparts. China Pakistan Economic and Trade Council President Chen Jianlu hoped the relations between the business communities from the two sides would strengthen and was also optimistic that the visit would help Chinese businessmen find new partners in Pakistan. - APP

The Nation
December 19, 2019

Chinese companies keen to set up JVs in multiple sectors in Pakistan

ISLAMABAD - A delegation of Chinese companies led by Yong Yang visited Islamabad Chamber of Commerce & Industry and showed keen interest to setup JVs with Pakistani counterparts in multiple sectors including IT, cyber security, real estate, solar energy, banking & finance, printing, certifications and other fields. Senator Mian Attique and Muhammad Ejaz Abbasi, Vice President FPCCI were also present at the occasion. The Chinese delegation members said that this was their first visit to Pakistan, which was very encouraging and added that they would bring more Chinese companies to Pakistan to explore JVs and business partnerships. They said that their companies were doing business with many countries around the world and now they were focusing on Pakistan for business collaborations. They said that Chinese companies were ready to join hands with Pakistani counterparts in many fields including green & environment friendly constructions, building of smart towers, production of agricultural products, improving internet & cyber security, producing IT products, generating solar energy, establishing e-educational platforms, promoting e-commerce and other fields. The Chinese delegation members also briefed the local business community about major products of their companies.

Addressing the Chinese delegation, Muhammad Ahmed Waheed, President, Islamabad Chamber of Commerce & Industry said that the current age was the age of digital economy due to which rapid changes were occurring in the business field. He stressed that Chinese companies should setup JVs in digital businesses with Pakistani counterparts to turn Pakistan into a digital economy. He said that Chinese companies should bring technology and establish partnerships with Pakistani entrepreneurs to produce value added products that would bring significant improvement in Pakistani exports. He also briefed the Chinese delegates about opportunities of
investment and JVs in various sectors of Pakistan’s economy including CPEC. Senator Mian Attique said that Prime Minister Imran Khan was determined to develop Pakistan into a digital economy and stressed that Chinese companies should cooperate with Pakistan in realizing this goal. He said that Pak-China Business Council would act as a bridge to promote B2B linkages between Chinese and Pakistani private sectors. Tahir Abbasi Senior Vice President, Saif ur Rahman Khan Vice President ICCI, Ahsan Zafar Bakhtawari, Aslam Khokhar, Khalid Chaudhry also shared ideas for developing strong business linkages between Pakistani and Chinese companies to further improve bilateral trade and economic relations between the two countries.

The Nation
December 19, 2019

SCCI for establishment of Export Development Centre

PESHAWAR - Sarhad Chamber of Commerce and Industry (SCCI) president Maqsood Anwar has stressed the need for establishment of a state-of-the-art Export Development Centre aimed to enhance capacity building of exporters and resolve their issues under a single roof. He said that it is essential to enhance capacity building of traders. In this regard, he said the SCCI also initiated efforts to set up a state-of-the-art Export Development Centre to resolve exporters’ issues under one-window operation service. SCCI president Maqsood Anwar was chairing a meeting regarding development of export sector and exporters’ issues at the chamber house on Wednesday, wherein Chamber vice presidents, Shahid Hussain, Jalil Jan, Chairman, Pakistan Haunting and Sporting Arms Development Company, and SCCI former president, Zahid Shinwari, Kashif Siegel and others were also present.

The meeting agreed to continue consultation process with exporters and relevant stakeholders for setting up the proposed Export Development Centre in the province. The president said the gems stones, honey, furniture, fruits, sports arms, and other export-oriented products of Khyber Pakhtunkhwa have played vital role in boosting up of the country exports. Besides, Zahid Shinwari stressed the need for establishment of a state-of-the-art Export Development Centre (EDC) in the province. In this regard, he said the SCCI commenced measures for development export-oriented sectors. He suggested that the capacity building of exporters, who are attached with different sectors will be further enhanced through establishment of the proposed export development centre, besides it would also play a role in resolution of exporters’ issues and boost exports. Former president said the export sector is being confronted with host of challenges and issues, which need to be resolved on priority basis.

DAWN
December 21, 2019

‘Govt taking measures to boost exports’

KARACHI: The government is working on multiple fronts to enter into new markets in order to boost exports, said Commerce Secretary Nawaz Sukhera on Friday. Addressing a gathering of value-added textile leaders at the Pakistan Hosiery Manufacturers Association, he said the
Ministry of Commerce is planning to hold a conference in Nairobi, Kenya on Jan 30 under its ‘Look Africa’ policy. He said the conference will interlink relevant government departments engaged in export facilitation such as State Bank of Pakistan, Ministry of Maritime Affairs, Board of Investment and commerce ministry on a single stage. Sukhera further said that around 300 importers of Pakistani goods from across Africa were also being invited. He said the government strongly feels that with robust growth of around 7-8 per cent, Africa is a lucrative export market for Pakistani goods. Similarly, he also pointed out that the recent visit by Russian trade minister to Pakistan has also paved way for increasing bilateral trade between the two countries. He explained that the biggest barrier to trade between Moscow and Islamabad was the outstanding barter trade fund of $93.5 million due for the last 30 years.

However, he said that Pakistan has now paid the amount which helped rekindle the trade relations. He added that there are many export markets other than GSP+ therefore Russia, Africa and China are three major new openings. Unlike in past, when China negotiated with Pakistan over Free Trade Agreement (FTA) at equal level, the new FTA has opened up a large tariff line of 313 items only because Beijing this time treated Pakistan as younger brother, Sukhera claimed. He urged exporters to take full advantage of the new FTA. He also informed the delegation that government was working on potential collaboration opportunities with the Milan Chamber of Commerce. He said that in a road show, we suggested the Milanese authorities to collaborate with Pakistan and take advantage of the country’s textile sector. Responding to some of the issues raised by the leaders of the textile bodies, Sukhera said that commerce ministry and the Federal Board of Revenue were working on duty structures. He agreed that there should be no duty on import of basic raw materials but due to some financial constraints, the government was left with no choice but to maintain status quo.

Textile leaders also raised other issues including sales tax refunds, gas shortage, water crisis, and Karachi port’s direct connectivity to country’s highways, effluent treatment plants and enhancing or reviving cotton production on evolving new seeds. The representatives were of the view that issues confronting export trade are directly related to world compliances and if the federal government fails in removing these bottlenecks, it will not be able to reach world markets. There was strong demand from business leaders that the federal government should take ownership of big projects such as the K-IV water supply, completion of Northern and Southern Bypass up to port entry etc instead of giving funds to provincial government.

The Nation

December 21, 2019

Pakistan, EXIM Bank sign loan agreement

ISLAMABAD - Government of Pakistan and EXIM Bank Korea Friday has signed loan agreement worth $80 million for Energy Sector reforms. Loan agreement was signed by EAD Secretary Pervaiz Abbas and EXIM Bank Korea Asia Region Director Mr. Yang Dongcheol, Minister for Economic Affairs, Mr. Muhammad Hammad Azhar, witnessed the signing ceremony of loan agreement worth USD 80 million with EXIM Bank Korea, held in Economic Affairs Division. This program aims to address the fiscal, Governance, technical and policy deficits in Pakistan’s Energy Sector, which will help in bringing economic sustainability and
fiscal balance. It will support the new national energy policy and integrated energy plan being formulated by the current government. It is worth mentioning here that the ADB has also approved a $300 million policy-based loan that will help the Government of Pakistan to address financial sustainability, governance, and energy infrastructure policy constraints in Pakistan’s energy sector.

The Nation

December 23, 2019

Pak eye-catching digital transformation acknowledged worldwide

BEIJING - The eye-catching Pakistan's digital transformation policy gets worldwide recognition and China also appreciates it and is looking forward to strengthen its collaboration with the brotherly country in the IT sector. According to a report published by the Gwadar Pro mobile news APP, the digital policy recently launched by Prime Minister Imran Khan will usher a new era of all-pronged digitalization and at the same time, a dramatic technological transformation of the country. The initiative, though is expected to meet underlying challenges and drawbacks, is in no way groundless. At the Silicon Valley conference in San Jose, Calif., backed by the Pakistani government in mid-October, the Pakistani ambassador to the United States and one of the conference speakers said, “If I were to look at our overall economic performance, the IT sector comes out as one that has performed the best.” The report acknowledged that Pakistan's Digital Policy served as the foundation pillar for the construction of a holistic Digital Ecosystem in the country with advanced concepts and components for the rapid delivery of next generation digital services, applications and content.

Moreover, it means to improve citizens’ quality of life and economic well-being by ensuring availability of accessible, affordable and reliable high-quality ICT services. It was noted that the policy includes incentives and promotional initiatives for the sector: 100% foreign ownership allowed; 100% repatriation of capital & dividends (subject to SBP Approval); IT & ITeS Export Income Tax exemption till June 2019 (Extended till 2024 just recently); and Income tax holiday for Venture Capital companies/funds till June 2024. According to the report, incentives have been proved to be effective in attracting long term investments, improve export remittances and proliferate new IT parks through technology SEZs throughout the country. Statistics from Pakistan Software Export Board (PSEB) show that the country’s software exports grew by 2.4 per cent to $1.09 billion during 2018-19, from $1.06bn in the last fiscal year. The total size of the software sector is approximately $6.5 billion, which is expected to grow at least 3.5 percent in the next five years. Local application developers, freelancers, and IT companies are another driving force behind the success of the computer software sector in Pakistan. The report noted that there are approximately 1,500 registered local companies involved in a variety of applications development for domestic and corporate use. The majority of high-end companies are involved in the development and distribution of enterprise resource management and customized solutions for specific industry sectors.

The analysis by the U.S. Commercial Service of the U.S Department of Commerce shows that there is a growing interest from local companies and freelancers to enter the online space, especially after the launch of 3G and 4G cellular spectrums in Pakistan. The majority of these
development activities involve consumer applications based on Android or Apple platforms, website development, e-wallets/payments, e-commerce, and online gaming. Most foreign firms operate either through their appointed local distributor or by having their own office with fully-equipped technical and support teams to cater to their customers’ needs. Major international software brands from the United States, the United Kingdom, Germany, Spain, and China have already established a strong presence in Pakistan. In a report issued by Trade Development Authority of Pakistan (TDAP), it notes that the IT sector in Pakistan has been growing for the last two decades but the sector lacks sustainability in its business model. Enterprises/ventures in IT sector are initiated on project basis and wind up upon the completion of those projects, the report added.

The Nation
December 24, 2019

Pakistan, Japan sign MoC for ‘Specified Skilled Workers’

Islamabad - Pakistan and Japan Monday signed a Memorandum of Cooperation (MOC) regarding the “Specified Skilled Workers” which aims to pave the way for skilled Pakistani workers to get employment opportunities in Japan. The Memorandum for Cooperation was signed here by the Ambassador of Japan to Pakistan, Mr. MATSUDA Kuninori, and Federal Secretary of the Ministry of Overseas Pakistanis and Human Resource Development, Mr Aamir Hasan, at a Ceremony. Mr. SONOURA Kentaro, Special Advisor for Foreign Affairs to President ABE Shinzo of the Liberal Democratic Party of Japan (LDP), who was in Pakistan on two-day visit also witnessed the signing ceremony. Under this policy, all foreign skilled workers entering Japan for employment would have to pass the skill’s examination and the Japanese basic language test before signing the employment contract with the accepting organization.

This MOC was signed in order to prevent the intervention by malicious intermediary business operators/consultants). The Memorandum of Cooperation (MOC) aims to pave the way for skilled Pakistani workers to get employment opportunities in Japan under this cooperation framework after passing the required examination. Pakistan is among the top ten countries where Japan is looking to hire skilled human resource during the second phase of this policy. The Government of Japan has already signed a similar memorandum of cooperation with 10 countries including Philippines, Thailand, Indonesia, Cambodia, Mongolia, Vietnam, Uzbekistan, Nepal, Sri Lanka and Bangladesh. It is pertinent to mention here that the Government of Japan has created a new “Status of Residence” for specific skilled workers that became effective on April 1, 2019. For this purpose, it has amended the “Immigration Control and Refugee Recognition Act” and took comprehensive measures for the acceptance of foreign workers. This policy has been introduced to accept foreign nationals who possess certain expertise and skills in specified 14 fields as Japan is facing serious shortage of labour due to its ageing society.

Japan expects to hire services of 340,000 skilled workers across the world during next five years but there is no country specific quota marked for it. The 14 specified fields for skilled workers include Nursing care, Building cleaning management, Forges and foundaries, Machine parts & tooling industries, Electric, electronics and information industries, Construction industry,
Shipbuilding/ship machinery industry, Automobile maintenance, Aviation Industry, Accommodation Industry, Agriculture, Fishery & aquaculture, Manufacture of food and beverages and Food service industry. Mr. MATSUDA Kuninori said on the occasion “This cooperation would provide job opportunities for Pakistani workers and beyond that, this framework will create new opportunities for Japan-Pakistan cooperation including education, business and tourism. I hope many talented Pakistani workers would get an opportunity to work in Japan through this cooperation framework.”

The Nation
December 24, 2019

Chinese entrepreneurs urged to help Pak exporters

LAHORE - Chinese efforts to bring mutual trade to a win-win situation would be a great favour to the economy of Pakistan. Chinese entrepreneurs should help Pakistani exporters to show their full presence in the Chinese markets. These views were expressed by LCCI Vice President Mian Zahid Jawaid Ahmad while talking to a 24-member Chinese delegation from Shandong Province of China at the Lahore Chamber of Commerce & Industry. The delegation, which has a vast range of businessmen from investors to vendors, was led by Yang Jun while LCCI EC members Muhammad Khalid, Haji Asif Seher, Wasif Yousaf & Fayyaz Haider and Mustafa Kauser were also present. Mian Zahid Jawaid Ahmad said that the balance of trade between the two countries is heavily in favour of China, which requires to be turned into a win – win situation for both the countries. Pakistani products are best of the best and easily cater to the needs of Chinese market. He said that both the countries not only share border but also have unanimity of views on various political & economic issues. The two countries have a combined market of more than 1.5 billion people and the trade volume needs to be pushed up.

The Chinese importers may have better prospects for Pakistani goods particularly of carpets, leather and leather products, surgical equipment, sports goods, fruits and vegetables, rice, pharmaceuticals, cotton etc. He said that Chinese investors should explore the business opportunities in the fields of refrigeration, healthcare products, locomotive accessories, rubber products, steel pipes/sheets, laser equipment, bearings, engineering tools, auto parts and machinery etc. He said that the projects under CPEC which holds key importance for One-Belt-One-Road program is inspiring the business community of China to consider Pakistan for further expanding trade & investment relations. This scenario promises to add new dimensions to bilateral ties. “It is encouraging to see that public and private sectors from both sides are actively engaged in policy consulting, technology exchange, market networking, investment consulting and brand recognition etc. We hope that these interactions will give us more exposure to excel”, he added. China opens its market to Pakistani agricultural products INP adds from Beijing: Chi.
Al-Tamimi Group keen to invest in Pakistan

ISLAMABAD: Prime Minister Imran Khan on Tuesday welcomed Saudi Arabia Al-Tamimi Group of Companies’ investment interest in food processing, dairy and livestock and meat processing sectors in the country. Talking to Al-Tamimi Group of Companies Chairman Sheikh Tariq Ali Abdullah, the PM emphasized on the reforms taken by the government regarding ease-of-doing-business and providing one-window operation to potential investors. He said that Pakistan was blessed with 12 climatic zones and was suitable for a variety of agricultural, fruit, dairy and fisheries production.

The prime minister stated that the government was also focusing on research and development to enhance productivity and increase exports with the help of private investors. He also stated that the government was working on establishing export-oriented grading and standardization of indigenous fruits including apple, peach, mango and citrus to meet the international demands as these fruits were widely acclaimed for their quality and taste. Adviser to PM Razak Dawood and senior officials were also present during the meeting.

Al Tamimi Group’s Chairman appreciated the measures taken by the government towards achieving economic stability and growth. He said the economic stability was a major factor in attracting foreign investments and international businesses were now confident to invest in the country due to transparency and facilitation provided to businessmen. International organizations such as the World Bank also rated Pakistan among the world’s top 10 business climate improvers.-APP

SCCI, Smeda establish ‘Business Facilitation Centre’

PESHAWAR - The Sarhad Commerce of Commerce and Industry, in collaboration with Small and Medium Enterprises Development Authority (SMEDA), Tuesday established a first-ever ‘Business Facilitation Centre’ in the chamber house, aimed at resolving issues of business community at their doorstep. Focal persons from more than 58 federal and provincial government departments have been nominated for the Business Facilitation Centre (BFC). In this regard, an inaugural meeting of the nominated focal persons of government departments was held here at the chamber house, under chairmanship of SCCI president Engr Maqsood Anwar Pervaiz, which was also attended by the chamber senior vice president, Shahid Hussain, vice president Abdul Jalil Jan, SMEDA provincial chief, Rashid Aman, Executive Committee members of the SCCI, Mujeebur Rehman, Aftab Iqbal and focal persons from different government departments of the BFC. Engr Maqsood Pervaiz said on the occasion that the BFC will play pivotal role in resolution of business community issues as well as attract investment in
the province that will also improve Pakistan position regarding ‘Ease of Doing Business in global index.

SCCI president termed the establishment of BFC is a milestone initiative toward industrialization and attracting investment in Khyber Pakthunkhwa, besides to facilitate and resolution issues of business community under ‘one window’ operation service. However, he sought the government relevant departments’ cooperation to further improve signification of the BFC as well as achievement of all goals set under this important step. Engr Maqsood praised the federal and provincial governments’ measures to improve investment climate and Ease of Doing Business (EoDB) across the country, but the BFC will play vital role for making the government efforts successful in this regard. On the occasion, the Smeda provincial chief, Rashid Aman gave a detailed presentation, highlighting the basic objective and idea of the Business Facilitation Centre. He informed that a web portal will be launched soon, which will be connected with all relevant government departments to resolve the issues of businessmen and facilitate them. He said the web portal will be part of the joint venture of SCCI and Smeda following establishment of the BFC at the chamber for resolution of the problems of business community. During the meeting, the focal persons from different government departments have given number of suggestions for bringing improvement and enhancement of significance of the Business Facilitation Centre.

December 26, 2019

Chinese keen to invest in economic zones

ISLAMABAD: Chinese business delegation on Wednesday visited Allama Iqbal Industrial City to strengthen bilateral trade relations through exploring business potential and investment opportunities. The delegation visited the Special Economic Zone (SEZ) of Faisalabad Industrial Estate Development and Management Company (FIEDMC) under the China Pakistan Economic Corridor. Both sides discussed issues for improvement in various sectors and projects, said a press release. Highlighting the development projects of the FIEDMC, Mian Kashif Ashfaq said that around Rs357 billion foreign and local investments will be injected into various projects, which clearly indicates that investors have reposed complete confidence in the present regime. More than 25 Chinese firms have made agreements to invest in the industrial city, he added. He said that Allama Iqbal Industrial City has been planned over an area of 4,000 acres, which is strategically located on Motorway M-4 near Sahianwala Interchange, Faisalabad. He further said that all industries within the export processing zone will be exempted from tax for a period of 10 years and plants, machinery, raw material and other equipment can be imported duty-free.

Representatives of the Chinese delegation said Pakistan and China were all-weather strategic co-operative partners and their partnership was aimed at promoting peace, development and prosperity in the region. They stressed that the Chinese investors were confident about Pakistan’s economic potential and hoped that the economic relationship between the two countries would increase. Later, the delegation visited different parts of industrial city and expressed their satisfaction over the pace of development of various ongoing projects. The FIEDMC chairman said the importance of the CPEC as a strategic alternative is immense, leveraging the economic
opportunities that can unleash its strategic significance and bring prosperity, peace, as well as stability in the whole region.-APP

The Nation
December 27, 2019

Over 1.601 million tons rice worth $835.686 million exported

ISLAMABAD - Rice exports from the country during first five months of current financial year increased by 38.58% as compared the exports of the corresponding period of last year. Over 1.601 million tons of rice valuing $835.686 million was exported from July-November, 2019 as against the exports of 1.115 million tons worth of $ 603.149 million of same period of last year, according the trade data released by the Pakistan Bureau of Statistics. Meanwhile, country earned $313.017 million by exporting about 343,885 metric tons of basmati rice during the period under review as compared the exports of 190,997 metric tons valuing $193.855 million of same period of last year. The exports of basmati rice from the country grew by 61.47% during last five months as compared to the exports of the same period of last year, the data revealed. On month on month basis, the exports of rice form the country grew by 24.49% in November, 2019 as about 440,488 metric tons of rice worth $202.069 million rice exported as compared to exports of 355,488 metric tons valuing $162.321 million of same month of last year, it added.

In November, 2019 exports of basmati rice also grew by 24.49% as 58,421 metric tons of basmati rice worth of 54.522 million exported as against exports of 29,185 metric tons costing $ 28.504 million of same month of last year. It may be recalled that food group exports from the country during first five months of current financial year increased by 16.20% as compared the exports of the corresponding period of last year. Food commodities worth $1.757 billion exported from July-November, 2019-20 as against the exports of $ 1.512 billion of same period of last year. On the other hand, import of the food commodities into the country during the period under review decreased by 15.36% as it was recorded at $2.088 billion as compared to imports of $ 2.467 billion of same period of last year, it added. Meanwhile, on month on month basis, the exports of food commodities registered growth of 16.30% as food products worth $397.708 million exported in November, this year which was stood at US $ 341.975 million of same month of last year. However, the imports into the country during the month under review increased by 5.14% as it went up to $505.503 million in November this year as against US $ 480.775 million of same month of last year.

The Nation
December 29, 2019

Trade volume surged at major border port between Pakistan, China

URUMQI/ISLAMABAD - Trade volume surged this year at a major border port between China and Pakistan. Cargo import and export reached 66,600 tonnes in the first 11 months at Khunjerab Pass in northwest China's Xinjiang Uygur Autonomous Region, up 46.8 percent from the same period last year. Trade volume increased by 1.4 times to 5.99 billion yuan (around 856.3 million
U.S. dollars) during the same period. About 5,000 meters above sea level, Khunjerab Pass is a major trade port between China and Pakistan, and an important gateway to South Asia and Europe. China mainly imports textiles, agricultural products and daily commodities there, and exports plants and herbs. Authorities at Khunjerab Pass said, they will continue to increase customs clearance efficiency to facilitate trade in the future. Meanwhile, Pakistani government has tabled Tax Laws (Amendment) Ordinance before its Lower House of Parliamentary Committee for getting approval on tax exemptions of all taxes for both Gwadar Free Port and Free Economic Zone that is a welcome step. The Chinese government highly appreciates the efforts of the government of Pakistan promoting business activities in Gwadar.

The National Assembly Standing Committee on Finance and Revenues took up Tax Laws (Amendment) bill recently for kick-starting deliberations on the ordinance in order to convert into law with approval of both Houses of Parliament. Earlier, the Tax Laws (Amendment) Ordinance was promulgated by President Arif Alvi for granting tax exemption of Income Tax, Sales Tax and Customs Duty. Now the PTI led government wants to convert ordinance into permanent law with the approval of Parliament. While giving briefing to the National Assembly Standing Committee on Finance and Revenues, the representatives of Federal Board of Revenue (FBR), the country’s main tax collection agency, told the parliamentarians that the proposed bill aimed at providing all those concessions which were provided to Singapore Port Authority but now these incentives were extended to consortium of Chinese Companies so it should be approved with immediate effect. The FBR high-ups told MNAs that all these tax exemptions were granted to Chinese companies under China-Pakistan Economic Corridor (CPEC).

The National Assembly panel will continue deliberations in its coming meetings but it is hoped that approval of this bill would be granted before lapse of given time frame of ordinance. The tax laws (amendment) bill has sought concessions to amend the Income Tax Ordinance, Sales Tax Act and Customs Act. Chinese companies are playing catalyst role for developing Gwadar Port as a strategic and commercial hub under its Belt and Road Initiative (BRI). The China Overseas Port Holding Company Limited (COPHC) took over operations in 2013 of the port from a Singaporean company. The concession agreement included a tax holiday for both the operators of Gwadar Port and the businesses being set up there, reports Gwadar Pro mobile news APP.

The Nation

December 30, 2019

China’s border trade with Pakistan increases significantly

BEIJING - With the construction of the China-Pakistan Economic Corridor (CPEC) and Pakistan’s domestic economic growth, the trade volume surged this year at a major border port between China and Pakistan. Cargo import and export reached 66,600 tonnes in the first 11 months at Khunjerab Pass in northwest China's Xinjiang Uygur Autonomous Region, up 46.8 percent from the same period last year. Trade volume increased by 1.4 times to 5.99 billion yuan (around 856.3 million U.S. dollars) during the same period, according to a report of China News Network on Sunday. About 5,000 meters above sea level, Khunjerab Pass is a major trade port between China and Pakistan, and an important gateway to South Asia and Europe. China mainly imports textiles, agricultural products and daily commodities there, and exports plants and herbs.
The authorities at Khunjerab Pass said they will continue to increase customs clearance efficiency to facilitate trade in the future. Urumqi customs statistics show that from January to November 2019, the total value of imports and exports from Xinjiang ports to Pakistan was 5.5 billion yuan, an increase of 1.2 times compared with the same period last year. Among them, exports to Pakistan were 5.49 billion yuan, an increase of 1.3 times, mainly in textiles, apparel, and mechanical and electrical products.

With the CPEC Project, China and Pakistan can achieve comprehensive connectivity, diversification and mutual benefit. It is not only a model project and flagship project of China's "Belt and Road" initiative, but also provides an important opportunity for the development of Pakistan. In recent years, the flagship project of Belt and Road Initiative has driven a large number of major infrastructure projects such as energy, electricity, roads, and railways, injecting a source of power into the development of China-Pakistan trade. Xinjiang, as the core area of "the Silk Road Economic Belt", is promoting the interconnectedness between China and Pakistan and driving the economic and geographical advantages of the regions along the route. According to Urumqi Customs, since February this year, the value of imports and exports from Xinjiang ports to Pakistan has maintained a year-on-year growth. Among them, in November alone, the value of imports and exports from Xinjiang ports to Pakistan reached 1.82 billion yuan, a year-on-year increase of 74% and a month-on-month increase of 63.8%. Xinjiang port to Pakistan is dominated by small amount trade, and it has grown significantly, accounting for 70.5% of the total value of Xinjiang port to Pakistan trade. Import and export through general trade was 1.56 billion yuan, an increase of 17.9%, accounting for 28.4%. Private enterprises are the main force for import and export.

December 31, 2019

Pakistan eyeing Vietnamese market to export fans

ISLAMABAD: Pakistan is eyeing the Vietnamese market to export electric fans as the East Asian country’s demand for fans has increased amid rising tourism. In a visit organized by the Engineering Development Board (EDB), a nine-member trade delegation representing electric fan sector visited Ho Chi Minh City in order to develop business-to-business meetings and explore opportunities to enhance exports. The Pakistan Electric Fan Manufacturers Association (PEFMA) delegation held meetings with different companies including Co. Phat Mechanical Manufacturing Company (Cophaco) one of the prominent manufacturers of electric fans in Vietnam.

During the visit, Vietnamese buyers told the PEFMA delegation that light fans were required from Pakistan as demand was increasing at luxury resorts, hotels and spas etc. The delegation visited Caribbean Motor Manufacturing Factory, and it was decided that another delegation belonging to the auto sector will visit Vietnam to promote business links. The PEFMA delegation also visited industrial fan manufacturing factory of Nghe Nang Co. Ltd (IFAN) in Vietnam and the ‘Vietbuild-29 Industrial Exhibition’ held in Ho Chi Minh City related to white goods to explore possibilities of exporting fans to Vietnam. The EDB expects the initiative will
act as a driving force for growth in export of engineering goods from the country and help boost
development of value-added engineering products.

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