

Iran Fair 2012

In order to harness the great potential for trade and investment between Pakistan and Iran, PBIT organized the first "IRAN FAIR". Special advisor to the CM Punjab, Senator Sardar Zulfiqar Khosa graciously inaugurated the exhibition. In his address, he said that Pakistan and Iran both being members of the Economic Cooperation Organization (ECO) have a significant potential for a better economic partnership.

The Chief Guest, Deputy Governor Khorasan-e-Razavi, Abbas Nihawand thanked PBIT for organizing the first ever Single country exhibition in Lahore. He said that strengthening social, cultural, bilateral and economic ties with Punjab is strongly endorsed by the President of Iran Mahmoud Ahmadinejad. In this connection the next single country exhibition is scheduled to be held in Mashhad, Iran in November, 2012.



Pakistan and Iran have strong political, cultural and social bonds from time immemorial. However, the potential of economic cooperation between the two countries has remained untapped mainly because of the lack of awareness about the opportunities.

Sardar Zulfiqar Khosa said that this Fair is one of the landmarks in the journey which started with the establishment of a Joint Working Group (JWG) to steer the economic and socio-cultural collaboration between the two provinces of Punjab and Khorasan in June, 2009.



Vice Chairman PBIT, Dr. Miftah Ismail said that he was hopeful that the efforts of Punjab Government towards a better economic partnership with Iran and events like the Iran Fair will prove helpful for the business communities of both sides to find and explore better ways for trade and Investment. PBIT CEO Dr Sajid Yoosufani, while speaking at the

ceremony, looked forward to more such people-to-people exchanges in future which would enhance the socio-economic ties between both countries.

This first ever Iran Fair 2012 was a colorful 3 day event with an attendance of more than 30,000 visitors who saw more than 75 Iranian and 45 Pakistani companies showcasing their products.

In a feisty closing ceremony, the Iranian exhibitors & main partners for this fair of PBIT were awarded certificates and shields by PBIT VC Dr Miftah Ismail.



Punjab- Brief Fact Sheet

- 59% share in GDP of Pakistan
- 96 million population, projected to cross 100 million by 2015,
- 13.91 million households , 20.86 million youth between 15 – 29 years in Punjab.
- 31.5 million labor force
- Large emerging middle class in the province, with average household income in excess of \$ 300 per month.
- 76% contribution to annual food grain production in the country
- More than 68,000 industrial units
- Annual Development Programme of Rs 250 billion for the fiscal year 2012-13.

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Key Highlights

Pak India Trade Conference

With a view to comprehend implications of trade between India and Pakistan, to study its overall impact on our economy and to provide a road map to protect interests of Pakistani consumers and industry, Punjab Board of Investment and Trade (PBIT), organized a conference on 'Pakistan-India Trade Potential', chaired by Punjab Chief Minister Muhammad Shahbaz Sharif on May 3rd, 2012.

PBIT Vice Chairman Dr Miftah Ismail emphasized that Punjab government attached a lot of importance to the consultative process between the stakeholders and the government for achieving a consensus on national issues that affected the interests of businesses in Punjab.

The eminent participants of the conference included Federal Commerce Secretary Zafar Mehmood, Planning Commission Pakistan Deputy Chairman Nadeemul Haq and State Bank of Pakistan former governor Dr Ishrat Hussain as well as leading businessmen and industrialists, including Mian Muhammad Mansha, Syed Yawar Ali, Asif Riaz Tata, Mian Abdul Basit, Asif Jumma, Faryad Zulifqar, Usman Waheed, Ahsan Irfan, Arif Habib, Allauddin Fereesta, Iftikhar Ali Malik, Sajjad Farooqi, S S Shoaib, Qaiser Zulifqar and Hafiz Nauman MPA also participated.



Punjab Fars Business Forum

In the efforts to boost bilateral and economic ties, the Punjab Government and Punjab Board of Investment & Trade (PBIT) signed MoUs for formalizing collaborative efforts to identify areas of common interests with the Iranian Province Fars and Trade Union of Shiraz Chamber of Commerce & Industries and Mines respectively.

The MoU signing ceremony was organized by PBIT which took place on 30th May 2012 with Special advisor to the CM Punjab, Senator Sardar Zulfiqar Khosa in attendance.



Speaking on this occasion Governor Fars H.E Hossein Sadegh Abideen said that Iranian Businessmen held comprehensive and useful B2B meetings with business community of Punjab and there is a vast scope of investment for Iranian Businessmen in Punjab. He said that Punjab can benefit from Iranian expertise in Slaughter house, Dairy and Juice industry, while Iran can benefit from Pakistan's textile infrastructure.

Vice Chairman PBIT Dr. Miftah Ismail, on this occasion said that the two economies can perfectly complement each other, in that, Iran possesses a rich energy base while Pakistan is an energy deficient country, and Pakistan is food exporter while Iran remains a net food importer. The event highlighted investment and trade opportunities in Punjab to Iranian investors, where the private sector delegates and government officials also discussed the most pressing projects that can be boosted through this visit.

Lahore Shopping Festival

PBIT participated in Lahore Shopping Festival, a joint initiative of the Punjab government and the LCCL, held from 22nd April till April 29.

The festival featured a carefully choreographed array of events, including a three-day exhibition at the Lahore Expo Centre, a polo tournament, recitation of the Holy Quran competition, young entrepreneur's business plan competition, photography competition, vintage car rally, Punjabi cultural night, job fair, business walk, wrestling championship, motor bike rally, fashion show, energy conference and a softball cricket tournament.



Multan Ranks in the "Top 10 FDI Asia-Pacific Cities of the Future 2011/12"



Multan, one of the largest cities in Punjab, has been ranked among the Top 10 *Asia-Pacific Cities of the Future* across 141 Asia-Pacific cities. This was awarded by **FDi Intelligence**, a division of The Financial Times Ltd, the largest FDI centre of excellence globally, specializing in all areas relating to foreign direct investment and investment promotion. This ranking shows Multan as a notably strong performer for cost-effectiveness due to its low industrial rents and labor costs, thus complementing the policy frame work adopted in Pakistan for foreign investment as highly conducive for doing business especially by foreign companies.

Punjab has a welcoming attitude towards foreign investment which is further strengthened by this award. It's economy is open for investment in all industry sectors and businesses are free to operate with

no intrusion / restrictions. Pakistan's law treats the local and foreign investors equally; there is no distinction of one or the other with regards to investment or establishment of companies neither are there any taxes on the transfer of profits of foreign companies.

SECTOR IN FOCUS

Retail Sector

The Pakistani retail market, currently estimated at US \$42 billion and rapidly growing, is viewed as an attractive opportunity for foreign investors. According to the Small and Medium Enterprise Development Authority, there are over 125,000 retail outlets in the country and 94 per cent of them are small corner shops in cities and villages.

Large retail stores (Metro, Makro, and Carrefourre) comprise about 2% of all Pakistani retail outlets with an estimated annual turnover of US \$176 million. The average floor area for these stores ranges from 25,000 to 100,000 square feet. The numbers of these stores are expected to increase over the coming years as modern distribution channels and competition develops.

Punjab is on the threshold of a major retail boom as leading corporate houses like Germany's Metro Cash and Carry and France's Carrefourre. The retail giant, Wal-Mart, has also expressed interest in establishing operations here while Debenhams, the popular UK retail store, has announced major plans to expand to Punjab.

Punjab is rapidly urbanizing at a rate of 1.78%. With over 96 million consumers and over half of it under 30 years of age, Punjab offers tremendous opportunities in retail sector presently. The sector has grown at the rate of 7.3% per annum over the period 2001 to 2006. This sector generates employment for 14 percent of the employed labor force &, therefore, serves as a major component of domestic commerce.

Most of the consumers are young and go for quality products. Whereas the regulatory environment is concerned it has been far more welcoming than neighboring India, where the government was recently forced by populist protests to roll back reforms. The welcoming attitude of Pakistani retailers and no restrictions on foreign investment in most sectors, including retail offers a huge potential for investment.



Textile/ Apparel

- Rs.10 Billion Designer Lawn fabric market
- 10% organized
- Cross roads
- Stone age
- Outfitter
- Levi's
- Quiz
- Nike
- Cambridge

Food Chains

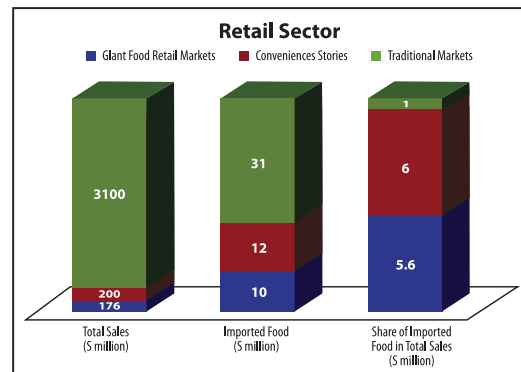
- Organized sector only 8-10% of market
- 42% of average consumer income expenditure on food
- McDonald's
- Hardee's
- KFC
- Subway

Pharmaceutical

- 95% unorganized retail shops, 5% organized pharmacy chains
- 2011 sales of \$ 1.89 Billion
- 9.5% Expected growth till 2015 to vol. of \$2.41Bn

Foot wear

- Sector potential of Rs.162 Billion
- 80% unorganized, 20% organized retail chains
- Pierre Cardin
- Hush Puppies
- Echo
- Clarks
- Next



PBIT in Pictures



Shenzhen E-commerce delegation visits PBIT



Pak India Trade Conference



Australian Delegation visits PBIT



American Business Forum visits PBIT



Presentation in PC to Iranians



Visit of Governor Fars to LCCI



Punjab Fars Business Forum



Pak Iran Trade Fair



Lahore Shopping Festival

PBIT Events Summary

- MOU was signed between Shiraz Chamber of Commerce, Industries & Mines and Punjab Board of Investment & Trade
- PBIT facilitated the signing of an MOU between Mr. Mohsen Negahban Ardakani, Deputy Governor of Fars Province (Iran) and Sardar Zulfiqar Ali Khan Khosa, Senior Advisor to Chief Minister, Punjab
- PBIT arranged and facilitated the visit of Japanese delegation of President Dai Nippon Construction to Lahore.
- PBIT facilitated Dr. Makino of JETRO & IDE from Japan for doing research on government development institutions.
- PBIT facilitated the visit of delegation of seven businessmen to Bosnia and Herzegovina.
- PBIT arranged for a 12 member delegation from JCCI to visit Durban & Johannesburg, South Africa.
- An interactive session was held at LCCI on Foreign Investment & Privatization in Pakistan by VC & CEO PBIT.



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