



FPCCI Fortnightly E-Newsletter

Issue for 16th to 30th September, 2014

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ACTIVITIES OF FPCCI

1. Shifting of ECO CCI Presidentship to Pakistan may Revolutionize Economic Integration Zakaria Usman, President FPCCI

Mr. Zakaria Usman, President of the Economic Cooperation Organization Chambers of Commerce and Industry (ECO CCI) has shown his determination to improve and strengthen the economic relations of ECO countries. He mentioned that we shall start our efforts from the Free Trade Agreement (FTA) among ECO member countries but our ultimate goal is to establish monetary union in ECO. It is notable that Economic Cooperation Organization (ECO) is an economic alliance of Pakistan, Turkey, Afghanistan, Iran and central Asian countries (Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan). In fact, the Economic Cooperation Organization is an extension of RCD which was extended to Central Asian countries after the fall of Soviet Union.

In the General Body meeting of ECO CCI which was recently held in Karachi in September 2014 it was decided to shift the ECO CCI Presidentship and Secretariat to Pakistan for the next three years. After viewing the three years performance it will be decided that in which country ECO CCI permanent Headquarters should be located. Presidentship of ECO CCI has been transferred to Mr. Zakaria Usman who is currently serving as President of Federation of D-8 Chamber of commerce & Industry and President FPCCI. Mr. M.A. Lodhi was appointed as Secretary General and Dr. Ayub Mehar as Economic Advisor of ECO CCI in the General Body meeting of ECO CCI.

Mr. Zakaria Usman, President of ECO CCI, demanded that to establish significant justification for ECO CCI Headquarters in Pakistan, the government should provide land and other facilities for its permanent office, like ICCI (Islamic Chamber of Commerce and Industry) and SAARC Chamber of Commerce & Industry and its office bearers should be granted diplomatic status.

2. Prime Minister should take serious notice of wretched incident with President Islamabad CCI

by Police officials, Says Zakaria Usman, President FPCCI

Mr. Zakaria Usman, President FPCCI and the business community of Pakistan strongly condemned the behavior of police with Shaban Khalid, President of Islamabad Chamber of Commerce & Industry. Mr. Zakaria Usman, stated that imposition of Section 144 does not mean that police starts threatening and harassing the innocent and honorable citizens of the society. He said that police officials should be educated and they need more training to be at par with the civilized world.

Zakaria Usman demanded immediate investigation and action against those police officials who attempted this disgruntled action with the President Islamabad CCI and urged the Inspector General Police of Islamabad Tahir Alam to curb those elements and bring them to justice.

He further said that contrary to the fact that business community are the real tax payers, they are been treated as criminal rather they should be facilitated and respected by the officials of government departments which are running on their taxes.

The President FPCCI further said the Prime Minister himself is an industrialist and businessmen, he should immediately take serious notice of such wretched incident with a businessmen in Islamabad.

3. Changes in taxation rules by FBR should be avoided and date for filing income tax return should be enhanced upto 31 December, 2014, Says Zakaria Usman, President FPCCI

The President Federation of Pakistan Chambers of Commerce & Industry (FPCCI) Zakaria Usman strongly opposed imposition of new rules for filing tax return in FBR till the month of December and stressed on extension in the last date for filing of income tax return upto 31-12-2014. While expressing his views on imposition of new rules of FBR for filing the income tax return, he said, that at a time when taxpayers will have only less than 12 days to file tax return forms, the FBR has almost finalized the

return form for the tax year 2013 which is not practically possible to follow for the tax payers.

He recalled that in the past also the FBR introduced new tax return forms many time but it had to take them back due to the reason that they did not take the apex body of business community into confidence. He recommended that FBR should get the consent of business community on the new rules for filing tax return before its implementation.

4. Harmonization of interest rate is essential for economic alliance with SAARC and ECO regional countries

Zakaria Usman, President Federation of Pakistan Chambers of Commerce & Industry (FPCCI) said that SBP can play its vital role by reduction in its discount rate and give a breathing space to the industry and for the revival of economic activities. This will ensure affordable financing for industrial sector. He said that FPCCI has been continuously emphasizing that conducive environment is essential for commercial and business activities in Pakistan. He said that new monetary policy should be liberalized and business friendly.

The President FPCCI urged the government to reduce discount rate by 1% in the forthcoming Monetary Policy of State Bank of Pakistan. He said that the graph of the business and productivity has been declined in lieu of sit-in at Islamabad and other cities and the flood factor in all provinces of the country. He said that the cost of doing business is increasing day by day and similarly the non-performing loans of the banks are also increasing.

He said that due to prudent economic policies of the government the inflation has been reduced during current year which is directly related to the bank discount rate. The impact of decrease in inflation should be pass on to business sector of the country by reduction in the discount rate.

Usman further indicated that after entering in SAFTA and thinking about monetary union with the ECO bloc, the harmonization of rate of interest among these regional countries is essential for economic alliance. Unfortunately interest rate in Pakistan does not match with these countries.

5. Phytosanitary non-compliance at import into the EU may lead to drastic decrease in exports Says Zakaria Usman, President FPCCI

Zakaria Usman, President Federation of Pakistan Chambers of Commerce & Industry (FPCCI) expressed his serious concerns over the complaint of European Commission about phytosanitary non-compliance at import into the EU territory of plants and plant products and alarmed for taking strict action which may lead to

restrictions on imports of most problematic commodities if necessary measures are not taken to remove the harmful organisms from these products.

He further said that Pakistan's agriculture consignments particularly fruits and vegetables are either confiscated or rejected by foreign countries, particularly the EU countries, due to non-compliance of international quality standards and lack of best agriculture practices in the country. He said that the government is still unable to follow Sanitary and Phytosanitary measures (SPS).

6. The Exporters pay charges to Port Authorities for de-stuffing and re-stuffing and repacking of the goods for inspection process but not being served as per international norm, Says Zakaria Usman, President FPCCI

Zakaria Usman, President FPCCI condemned the negligent attitude of port authorities in handling the containers during inspections by Customs and ANF authorities. He said that that business community normally misunderstood and were confused in the matter of un-packing and repacking the product, and de-stuffing and re-stuffing the containers by the customs and anti narcotic authorities due to which they suffer severe losses in terms of damages to goods, packing, order cancellation, delay in delivery of export orders and demurrages at the ports and thought that it was the responsibility of ANF authorities but in fact it is the sole responsibility of the port authorities. Usman further said that the exporters pay charges in dollars as per international rates but they are not being served as per the international norms. The meeting was also attended by Shaukat Ahmed, Sr. Vice President and Khurram Sayeed, Vice President, Ismail Suttar, Vice President FPCCI who is also the looking after the affairs of ANF Coordination Committee of FPCCI, Irfan Bawani, Javed Balwani, COO of KICT Mr. Lui and the prominent exporters.

Mr. Ismail Suttar, Vice President FPCCI said that we had planned this meeting to discuss the modalities of inspection of the containers of the exporters by ANF on modern techniques to avoid damages to goods and delay in clearance of shipment so that we can be able to deliver the export orders in time to our buyers in good condition abroad. He said that in this meeting the Regional Director Sindh of ANF and his team and Chairmen of Karachi Port and Port Qasim were invited. He appreciated that the Regional Director of ANF who attended the meeting with his team but regretted that both the Chairmen did not bothered to come to Federation House to attend such important meeting which has deep rooted effects on the exports of the country. He further said that we need to find solutions so that at least the port operators to start with can employ or engage the services of technically sound packers and de stuffers so that the cargo is not damaged during the process of examination both by the customs as well as ANF. At this time our exports are at 25 Billion US

Dollars and the efforts are in place to double this figure in three years time means that the inspection will also be doubled in three years for which we need our port operators to take this matter very seriously as there is no rocket science involved in getting the cargo properly de stuffed as well as re stuffed in a proper manner so that there is no loss to the cargo. The international community has high standards for almost everything these days and are also ready to pay the price to the exporters and at the same time expect proper goods but unfortunately due to mishandling at the port operators level we tend to export our goods upto 7 to 8 % in substandard packaging for no fault of ours as ANF opens about 2% of the cargo whereas Customs open about 5 to 6% of the cargo eventually making the cargo unacceptable by the importers. It is time as a nation we need to understand the needs of the international business and we need to deliver accordingly. The port operators are not providing these services on charity the exporters are paying at the international rates to these companies and expect proper services from them, he said.

Brig. Abu Zar said that the matter of unpacking repacking of products and de-stuffing/re-stuffing the container is not the responsibility of ANF but it is the responsibility of port authorities. He said that the business community is the defender of the economy of the country. He explained that the ANF is facing a lot of problems from Customs authorities and port authorities. He appreciated the efforts of President and Vice Presidents of FPCCI for creating coordination between ANF, Customs and port authorities and recommended that the representatives from SBP and FBR should have also been invited in this meeting. This E Form should be strictly controlled. The banks should avoid issuance the E Form to everyone before verifying the real exporters. The Customs authorities should thoroughly check and verify the other export documents as well. He also informed that ANF do 30% physical inspection and it is always in presence of the representatives of the exporters and before we start this process we get snap shots of the whole process through unlocking to sealing the container.

7. Services of former Director General Rangers eulogized --- Zakaria Usman

Zakaria Usman, President, Federation of Pakistan Chambers of Commerce & Industry (FPCCI) has wholeheartedly congratulated Former Director General Rangers (Sindh) Major General Rizwan Akhtar on his well deserved elevation to the rank of Lt. General and posting as new Director General of Inter-Services Intelligence (ISI).

The FPCCI Chief eulogized the meritorious and dedicated services rendered by Rizwan Akhtar, as DG Rangers (Sindh), in improving law and order situation in Karachi in particular and Sindh in general and added that he did a tremendous job in restoring peace and tranquility in the city, impacting significant difference in the lives of Karachi

ties and making it again the city of lights. He wished him every success in his new assignment (DG, ISI) and more achievements in the days to come.

Mr. Zakaria Usman also felicitated the new incumbent, Maj.General Bilal Akbar, on assuming the office of DG Rangers (Sindh) and hoped that during his tenure the law and order situation would be further improved and the cordial relations between his Directorate General and FPCCI would be further strengthened to the benefit of both.

8. Expo Milano is the ideal Platform to Present Pakistan to the World in 2015: Vice President FPCCI Khurram Sayeed

Expo Milano is the ideal Platform to Present Pakistan to The World in 2015, this was stated by the Vice President FPCCI Khurram Sayeed while making a comprehensive presentation on Pakistan's participation at the Expo Milano 2015 to Ministry of Commerce in Islamabad.

Present during the presentation were Secretary Commerce Mr. Mohammad Shahzad Arbab , Additional Secretary Fazal Abbas Maken, Joint Secretary FT(II) Mian Asad Hayaz Ud din, Deputy Secretary Mr. Ahmed Fassi, Pakistan Ambassador to Italy and Director General TDAP via Skype among others.

Mr. Sayeed briefed the participants on his trip to Milan and meeting with the Expo Authorities. He highlighted that the FPCCI successfully negotiated 50% discount in space rent as well as extension in the timelines. He mentioned that the Expo of this nature which lasts six months and where 20 million visitors are expected and 147 countries are participating; is the ideal platform for Pakistan to find new markets and buyers and break through to non- traditional markets. He further emphasized that since the Expo is taking place in a major European city; therefore it will be major image building platform for Pakistan and will also facilitate Pakistan to achieve its target of doubling its exports. It was also made clear that the project will be undertaken by FPCCI on self finance basis and no financial assistance from the government was being sought and the FPCCI only wanted government's official participation and support through FPCCI.

9. FPCCI Standing Committee on CNG to play pivotal role in resolving CNG related issues across Pakistan, Vice President FPCCI Khurram Sayeed

FPCCI Standing Committee on CNG to play pivotal role in resolving CNG related issues across Pakistan, this was stated by Khurram Sayeed Vice President FPCCI while addressing a large gathering of the CNG Standing Committee of FPCCI. The meeting was co- chaired by Shabbir Sulemanjee; newly elected chairman of the CNG Standing Committee FPCCI.

Mr. Sayeed congratulated Sulemanjee for holding a successful meeting in which over 150 members were present. Various issues related to the CNG industry were discussed in the meeting including the impact of LNG for use in the CNG vehicles, GIDC review petition in Supreme High Court, Sales Tax matter pending in the Sindh High Court and the Gas Load Management Policy. Mr. Sayeed assured the members that FPCCI will always support its standing committee and assist them in policy matters.

He was of the view that the CNG Association with the help of FPCCI should come up with a comprehensive policy so that all the sectors consuming Gas in Pakistan are taken on board.

Mr. Sayeed said that the FPCCI will always favor a policy that will fix the number of days of CNG availability at the petrol stations and in this respect arbitrary changes to the schedule will not be accepted as it causes considerable inconvenience to the citizens who have to line up at petrol stations for hours. Mr. Sulemanjee; among others also addressed the gathering and assured that the Standing Committee will work in the interest of the Industry as a whole and will take FPCCI on board on major policy matters.

ECONOMIC WATCH International News

1. Russia, Ukraine reach interim gas deal

Russia is ready to resume gas deliveries to Ukraine if Kiev pays its energy giant Gazprom back debts worth \$3.1 billion (2.4bn euros) by late December, European Energy Commissioner Guenther Oettinger said. According to the interim agreement, which has to be approved by the governments in Moscow and Kiev, Gazprom is ready to deliver at least 5bn cubic metres of gas in the coming months, Oettinger said after he met with both energy ministers in Berlin.

2. China to invest \$20 billion in India

India and China signed 12 agreements as China committed \$20 billion investment over the next five years and agreed to provide greater market access to Indian products in farm, pharma and gems and jewellery sectors, with a view to reducing the large trade gap with India. According to Business World, Modi and Xi emerged from a long meeting to address reporters. "There should be peace in our relations and on the borders. If this happens, we can realise true potential of our relations," said Modi. The Indian prime minister called for an early border settlement with China. The two sides have held 17 rounds of border talks since the early 1990s without making significant progress. Modi has yet to appoint a special envoy to restart the talks. "We have to address the boundary question very soon," Modi said. In his comments, Xi played down the tensions and agreed with Modi that they should work to

settle the border question. "Sometimes there might be certain incidents, but the two sides are fully capable of acting promptly to effectively manage the situation," he said. China was committed to the path of peaceful development, he said later, addressing concerns in Asia about Beijing's increasingly assertive territorial claims including in the South China Sea, which is criss-crossed with maritime trade routes.

3. EU-US trade talks Europe's 'best chance'

A European free trade deal with the United States may not be perfect but is the last chance for Europe to remain globally relevant, Germany's economy minister said. Sigmar Gabriel's comments, made a day before his party decides its line on the negotiations, echoed those of Chancellor Angela Merkel, also, who said a deal would be of "unimaginable value" and no "red lines" would be crossed. The public debate in Europe's largest exporter has been firmly against a free trade deal between Brussels and Washington called the Transatlantic Trade and Investment Partnership (TTIP), with concerns ranging from health and safety to spying.

4. WTO cuts 2014 growth forecast to 3.1pc

Global commerce is set to expand by 3.1 per cent this year, the World Trade Organisation said, cutting its previous forecast of 4.6pc due to weak growth and demand. The Geneva-based body also downgraded its forecast for trade growth in 2015 to 4pc from 5.3pc. "International institutions have significantly revised their GDP forecasts after disappointing economic growth in the first half of the year," said WTO chief Roberto Azevedo in a statement. "In light of this, the WTO's forecasts for trade growth have also been revised downwards for 2014 and 2015. Uneven growth and continuing geopolitical tensions will remain a risk for both trade and output in the second half of the year," he added. Among the problems, the WTO said, are tensions over the Ukraine crisis pitting the European Union and the United States against Russia. The resultant tit-for-tat trade measures have notably affected agricultural commodities. Conflict in the Middle East is also stoking uncertainty, and could lead to a spike in oil prices if the security of supplies is threatened, said the WTO. And the Ebola outbreak raging in west Africa has also sown panic over its economic impact in the region and potentially beyond, it added.

5. Canada, EU formally conclude free trade pact

Canadian and European leaders formally concluded a free trade agreement that is widely seen as a template for a larger pact between the EU and the United States. Germany, in particular, has pressed for a contentious arbitration mechanism to be excluded from both the Canada deal and an eventual EU-US Transatlantic Trade and Investment Partnership. The "investor-state dispute settlement" provision will allow private investors to sue

governments if they feel local laws threatened their investments, and idea opposed in Berlin. Romania and Bulgaria may also try to block the deal because their citizens are required to have visas to travel to Canada, reportedly to stop a feared wave of refugee claims by ethnic Roma. But EU Trade Commissioner Karel De Gucht warned a German newspaper that no changes can be made to the deal without killing it. "If we re-open negotiations on CETA (the Comprehensive Economic and Trade Agreement), the deal will be dead," De Gucht told the daily Frankfurter Allgemeine Zeitung. At a joint press conference in Ottawa with European Council President Herman Van Rompuy and Canadian Prime Minister Stephen Harper, EU Commission President Jose Manuel Barroso said the pact "was fully backed by all member states of the European Union including Germany."

6. At G20, US urges more effort to spur growth

US Treasury Secretary Jack Lew urged greater efforts to spur global growth as the head of the World Bank bemoaned a disappointing year and warned of downside risks ahead. Lew called for more focus on investment and infrastructure to help create jobs in comments ahead of meeting of G20 finance ministers and central bankers in the northern Australian city of Cairns. "The US continues to be a source of strength in the global economy," he said, pointing to the US unemployment rate at a six-year low with 10 million jobs created by the private sector over the past 54 months. "Overall, the global economy continues to under-perform. This is particularly true in the euro area and Japan, while a number of emerging market economies are also slowing. "More work is needed to achieve faster and more balanced growth, to boost demand, especially in surplus countries and to promote employment," he added. "Part of this growth agenda is a focus on investment and infrastructure. We see investment, both public and private, as a key to boosting growth."

7. World population may hit 11 billion by 2100: study

The world population may grow larger than previously estimated, reaching 11 billion people by century's end, according to a UN-led analysis published. That would mean two billion more people on Earth than expected by 2100, largely due to high birth rates in Africa, said the report in the US journal Science. "The consensus over the past 20 years or so was that world population, which is currently around seven billion, would go up to nine billion and level off or probably decline," said co-author Adrian Raftery, professor of statistics and of sociology at the University of Washington. "We found there's a 70 percent probability the world population will not stabilise this century," he added. The study uses the most recent United Nations population data, released in July, and employs Bayesian statistics to combine all available information to generate better predictions. The bulk of the growth was anticipated in Africa, where the population is expected to rise from

one billion today to four billion by the end of the century. "There is an 80 percent chance that the population in Africa at the end of the century will be between 3.5 and 5.1 billion people," said the study. While Africa is expected to boom in size, some populations are expected to peak or shrink, the study said. Asia, now at 4.4 billion, is projected to peak at around 5 billion people in 2050 and then start to decline. North America, Europe, and Latin America and the Caribbean are all expected to remain under one billion each. More people on Earth will likely exacerbate problems such as climate change, infectious diseases and poverty.

ECONOMIC WATCH Local News

1. 14 Tax Facilitation Kiosks set up

Regional Tax Office (RTO), Lahore has established 14 Tax Facilitation Kiosks to guide and facilitate the taxpayers for filing Income Tax Returns and Statements for the Tax Year 2014. The managers of TFKs have been directed to ensure extension of full co-operation and courtesy to the taxpayers and extend guidance and education in filing of Returns. The Kiosk officers have ready availability of prescribed return/ wealth statement proformas for facilitation of taxpayers. An e-Filing Facilitation Cell has also been set-up in RTO, Lahore to facilitate and guide those taxpayers who have to electronically file their Income Tax Returns & Statements for Tax Year 2014. These Taxpayers Facilitation Kiosks have been established under RTO, Lahore at the Lahore Chamber of Commerce and Industry (LCCI), H-Block Defence Housing Authority (DHA) Lahore, Anarkali, Panorama Centre, Akbari Mandi, Azam Cloth Market, Baghbanpura, Badami Bagh, Misri Shah, Shahdara, Shah Alam Market, Delhi Road Sadar Bazar, Sheikhpura and Nankana Sahib.

2. Leather industry after floods

A heavy death toll of animals in the recent floods, stuck-up customs duty and sales tax refunds, interrupted power supply and anticipated gas shortages in winter are feared to adversely affect leather and leather goods production. Foreign demand is also weakening, as indicated by a 10pc year-on-year decline in exports of leather and leather goods during July-August 2014. "Much depends now on whether we can get sufficient supply of animals' hides and skins during Eid-ul-Azha at right prices," says a Karachi-based exporter. However, exports can still count on two big positives: the quality of tanned leather has improved over the last few years pushing up per-unit price, and some exporters of finished leather goods have found new buyers abroad. Domestic demand has remained strong, contributing to a handsome 11.6pc growth in leather industry in FY14. And there are no signs of this demand slowing down. Sales of leather garments, bags, sofa-cushions, handbags, purses, footwear and wallets are apparently stable both at high-end shopping malls and in traditional city markets.

3. Industrial output shows 1.14pc growth

The large-scale manufacturing (LSM) posted a paltry growth of 1.14 per cent in the first month of this fiscal year from a year ago. The industrial output expanded thanks to growth in 11 categories of items in the month under review over the corresponding month of last year, suggested data of Pakistan Bureau of Statistics (PBS). Major contribution towards the growth was from textile 1.51pc; food and beverages 7.78pc; petroleum products 2.81pc; engineering products 33.04pc; rubber products 5.51pc; pharmaceuticals 7.54pc; fertilisers 5.43pc; electronics 2.80pc; chemicals 8.70pc; leather products 0.67pc; iron and steel products 10.49pc. Some sectors, like non-metallic mineral products witnessed a negative growth of 13.21pc; wood products 73.54pc; automobiles 9.58pc; paper and board 1.01pc during the month under review. Industry specific data showed that many sub-sectors didn't perform well in July 2014 over the corresponding month of last year. The production of refrigerators recorded a positive growth of 9.07pc; deepfreezers 36.06pc; air-conditioners was increased by 4.41pc; electric fans 4.33pc; electric transformers 5.21pc; TV sets 1.17pc; storage batteries 5.22pc; and bicycles 36.01pc.

4. Negative list impacts

Pakistan's trade with India has special restrictive features. As WTO members, both are required to give each other the 'most favoured nation status'. India has given MFN status to Pakistan, while Islamabad, taking advantage of a special clause of the WTO legal framework, has not reciprocated. The MFN, due to its nomenclature, is often misunderstood. MFN does not mean any preferential market access; it means that there will be no negative or positive list of importable items. All items will be importable under normal import tariffs applicable on all WTO members. Till March 2012, Pakistan used to issue a list of items importable from India, but this policy was substituted by a negative list of non-importable items. This list, of course, was shorter than the positive list. It contains 1,100 items at eight-digit PCT code level

5. LNG import: some questions

After almost a decade of trying, LNG imports are now closer to becoming a reality. In a recent news conference, Petroleum Minister Shahid Kha qan Abbasi said the project is "in its final stages" and even mentioned the prospect of an early commissioning. Moreover, the government appears to have done the groundwork to develop a consensus around the allocations from the new gas, giving the vehicular CNG sector a large share of the imported gas, while diverting its allocations from domestic gas towards other sectors. In time, the minister said, all of the imported gas may end up allocated for vehicular use, freeing up domestic gas for the remaining stakeholders. Some of the numbers floated by the minister need closer scrutiny. For instance, it is not clear how the imported gas will be only

5pc to 8pc costlier than the existing price. If the minister is referring to the price at which the gas will be sold to consumers, then clearly there will be a subsidy element. But if he is referring to the landed cost of the LNG, then it needs clarification what price the government is anticipating to pay in the spot markets, where prices are almost double what they are for domestically produced gas.

6. Lucky to invest Rs27bn in power project

The Lucky Cement Limited declared that the company board had approved equity investment of around Rs27 billion to set up a 660MW coal-based power project in Karachi. "The project will be set up and owned 100pc by the company and equity investment will be made into 'Lucky Electric Power Company Limited' (LEPCL)," the directors said. It represented departure from the previous plan of setting up the project through Lucky Holdings Limited, a subsidiary three-quarters owned by the company. Lucky Cement further stated that the power project would be set up with an estimated project cost of \$1.08bn and financed in the debt/equity ratio of 75:25. "The company will be the exclusive sponsor of LEPCL investing an amount of Rs27bn for the project and holding 100pc equity stake in LEPCL, through a 100pc owned subsidiary," the company reiterated and noted that the implementation of the power project was subject to all necessary regulatory approvals and required consents. The plan to invest \$200m in setting up the 660MW coal-based power project in Karachi was first disclosed by the company back on July 16. The announcement had then come soon after the Nishat Group expressed intentions to set up two 660MW coal power projects in Punjab.

7. SBP, World Bank sign accord

The World Bank will prepare a national financial inclusion strategy for Pakistan and will also help the State Bank in the areas of financial infrastructure and financial market development. According to details of the agreement signed by the State Bank and the World Bank, the latter will help the SBP design a framework for coordinating and implementing the strategy. The State Bank will pay \$500,314 to the World Bank for the preparation of the strategy, according to text of the agreement. The agreement, which became effective on Aug 19, will expire on Feb 28, 2015. The strategy will be finalized in five months and launched by the end of 2014. Between August and December, the World Bank will provide assistance to State Bank to design a framework for coordinating and implementing the strategy. The World Bank will help SBP assess and produce technical notes on status of financial inclusion in the areas of micro, small and medium enterprises, finance, housing finance, insurance and pensions, branchless banking, financial literacy and consumer protection, legal and regulatory framework, including for secured transactions and collateral registry.

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