



‘DIALOGUE ON THE ECONOMY’

THE PAKISTAN BUSINESS COUNCIL



**BELIEVE IN
BUSINESS**
POTENTIAL. PARTNERSHIP. PROSPERITY

**BUILD A BETTER
FUTURE**

25th, 26th, & 27th November 2025



Message from the CEO, The Pakistan Business Council

Believe In Business: Shaping Pakistan's Economic Future

The Pakistan Business Council's Dialogue on the Economy (FY 25-26), convened at the Serena Hotel, Islamabad, from November 25th to 27th, 2025, marked a pivotal moment in our twenty-year journey. This publication is more than a record of proceedings; it is a blueprint for action designed to guide our members and inform the national discourse.

This year, we saw a record number of people attend. I want to thank the 125- 150 guests, including several senior ministers, government officials, and experts, who joined us to talk about the future. We focused on five main areas of change:

- **Global Shifts:** How Pakistan can better connect with the rest of the world?
- **Create Jobs:** Making sure economic growth creates jobs and helps everyone, not just a few.
- **New Technology:** Using AI and digital tools to modernize our country and reduce poverty.
- **Better Management:** Moving away from quick fixes toward long-term, steady rules for business.
- **The Environment:** Moving toward “green” growth and protecting our climate.

The PBC's goal for Pakistan is to move every citizen from just “surviving” to truly prospering by selling more to the world and using our resources wisely.

The last 20 years were about making the PBC a trusted voice. The next 20 years will be about making Pakistan prosperous, inclusive, and successful. By working with leaders and experts, we want to build a country where everyone has a chance to succeed.

Javed Kureishi
CEO,
Pakistan Business Council



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08:30-08:50	Registration & Networking Coffee
09:00-09:05	20 Years of PBC
09:05-09:15	Opening Remarks - Dr. Zeelaf Munir (Chairperson - PBC)
09:15-09:25	Programme Outline - Javed Kureishi (CEO - PBC)
09:30-10:15	Session 1- Inclusive & Sustainable Economic Growth Beyond Stabilization Moderator: Humza Jilani (Correspondent - Financial Times) Panelists: <ul style="list-style-type: none"> • Dr. Ali Cheema (Vice Chancellor – LUMS) • Ali Khizer (Director - Business Recorder) • Dr. Ishrat Husain (Former Governor-SBP; Former Dean & Director - IBA) • Dr. Reza Baqir (MD & Global Head Sovereign Advisory Services - Alvarez & Marsal)
10:20-10:50	State of the Economy & Monetary Policy Speaker: Jameel Ahmad (Governor - State Bank of Pakistan)
10:55-11:40	Session 2 - Maximizing the Geopolitical Window Moderator: Saquib H. Shirazi (President & CEO - Atlas Honda) Panelists: <ul style="list-style-type: none"> • Ejaz Haider (Senior Resident Fellow - Centre for Security, Strategy & Policy Research) • Dr. Maleeha Lodhi (Former Ambassador to the UN, USA & UK) • Dr. Moeed W. Yusuf (Vice Chancellor - BNU)
11:45-12:10	Tea Break
12:15-13:00	Session 3 - Fiscal Policy & its Impact on the NFC Award Moderator: Ahmad Iqbal Chaudhary (Member of the Provincial Assembly - Punjab) Panelists: <ul style="list-style-type: none"> • Dr. Kaiser Bengali (Economist) • Dr. Miftah Ismail (Former Minister of Finance) • Nasim Beg (Director - Arif Habib Corporation Ltd.) • Shahid Mahmood (Former Secretary Finance)
13:05-13:50	Session 4 - Climate Resilience: Who Pays the Price of Delay? Moderator: Nazish Shekha (Head of Initiative - CERB) Panelists: <ul style="list-style-type: none"> • Musadik Malik (Federal Minister for Climate Change & Environmental Coordination) • Sam Waldock (Development Director - British High Commission, Islamabad) • Syed Jamal Baqar (CEO - TPL RMC)
13:55-15:20	LUNCH Pakistan's Improved Outlook Speaker: Senator Muhammad Aurangzeb (Federal Minister for Finance & Revenue)
15:25-16:10	Session 5 - Designing Tax Policies for Optimal Revenue Generation Moderator: Ziad Bashir (Vice Chairman - PBC) Panelists: <ul style="list-style-type: none"> • Haroon Akhtar Khan (Special Assistant to Prime Minister for Industries & Production Division) • Dr. Najeeb A. Memon (Director General (Head of Tax Policy Office) - Finance Division, GoP) • Sajjad Taslim Azam (Member (IR Policy) - FBR) • Shabbir Diwan (CEO - Gatron industries limited)
16:15-17:00	Session 6 - Leveraging Technology & AI for Economic Prosperity Moderator: Dr. Ali Hasnain (Associate Professor - LUMS) Panelists: <ul style="list-style-type: none"> • Abu Bakar (CEO - PSEB) • Fatima Asad-Said (CEO - Abacus Global) • Monis Rahman (Founder & Chairman - Recruit AI, Rozee, Dukan) • Safwan Shah (CEO & Founder of PayActiv.)
17:05-17:30	Tea Break



17:35-18:05	The Future of Cryptocurrency in Pakistan Speaker: Dr. Asad Samar (CEO - Square Point Trading Group)
18:10- 18:55	Session 7 - Trade & Tariffs Moderator: Usman Khan (Director & Economist - TPI LUMS) Panelists: <ul style="list-style-type: none"> Dr. Aneel Salman (OGDCL-IPRI Chair - Economic Security) Fawad Anwar (MD - Al-Karam Textile Mills Pvt. Ltd.) Musadaq Zulqarnain (Chairman - Interloop & Interloop Holdings) Rizwan Diwan (CEO - Novatex Limited)
19:30-21:00	DINNER PBC 20th Anniversary Dinner Speaker: Abdul Razak Dawood (Chairman - PBC Advisory Board)

DAY 2

09:00-09:45	Session 1 - Foreign Direct Investment in Pakistan: Challenges and Opportunities Moderator: Saira Awan Malik (President, TCS Group) Panelists: <ul style="list-style-type: none"> Muhammad Azfar Ahsan (Former Minister for Investment) Fawad Mukhtar (CEO - Fatima Group) Dr. M. Jehanzeb Khan (Secretary, Apex Committee - SIFC) Samar Hayat (CEO - Tapal Tea Pvt. Ltd) Shazad Dada (Founder & Managing Partner - Dada Partners)
09:50-10:35	Session 2 - Energy Landscape- Reforming for Resilience Moderator: Ruhail Muhammad (CEO - Lucky Electric Power Company Ltd.) Panelists: <ul style="list-style-type: none"> Sardar Awais Leghari (Federal Minister for Energy- Power Division) Danish Khalil (Vice President Sales & Strategy, BYD - MMC Pakistan) Dr. Naveed Arshad (Director of Energy Institute - LUMS) Syed Muhammad Ali (MD - Sapphire Textiles Energy)
10:40-11:25	Beyond Banking: Sowing Change Presenter: Sultan Ali Allana (Chair - HBL & Director - AKFED)
11:30-11:55	Tea Break -----
12:00-12:45	Session 3- Unlocking Pakistan's Untapped Mining Resources for National Wealth Moderator: Shamsuddin Sheikh (CEO - NRL) Panelists: <ul style="list-style-type: none"> Ali Pervaiz Malik (Federal Minister of Petroleum) Col. Dr Hamid Ashraf (Advisor - Geological Survey of Pakistan) Muhammad Ali Tabba (CEO - Lucky Group) Zarrar Jamali (Country Manager - Reko Deq Mining Company)
12:50-13:35	Session 4 - Privatization and Private Sector Participation (PSP) Moderator: Musarrat Jabeen (Executive Director- SECP) Panelists: <ul style="list-style-type: none"> Arif Habib (Founder - Arif Habib Group) Farrukh H. Sabzwari (CEO & MD - PSX) Muhammad Ali (Advisor to the PM on Privatization & Chairman of the Privatization Commission) Naz Khan (Principal Country Officer - IFC)
13:40-14:55	LUNCH SIFC Update on FDI & Economy Speaker: Lt. Gen. Sarfraz Ahmed (National Coordinator - SIFC)
15:00-16:30	Transformation of the FBR Presenters: Rashid Mahmood Langrial (Chairman - FBR), Dr. Hamid Ateeq Sarwar (Member (IR Operations) - FBR), Syed Shakeel Shah (Member (Customs Ops) - FBR), & Ali Jan Khan (McKinsey Team - FBR)
1635 - 1645	Concluding Session

Pre-Event Dinner

A U.S. Perspective on Pakistan's Economic Future and FDI



Zachary Harkenrider

Deputy Chief of Mission of the U.S. Embassy

Key Takeaways

Economic Stability & Potential:

- Pakistan has improved macroeconomic stability (higher growth, lower inflation, stable rupee).
- International agencies (IMF, Moody's, S&P's) now have a more positive outlook on Pakistan's economy.
- Pakistan must continue expanding its tax base for long-term growth.
- The country has vast economic potential.

U.S.-Pakistan Relationship:

- The relationship is being recast away from security and towards economics, trade, and investment.
- The overall trajectory of the bilateral relationship is positive and multifaceted.
- Leaders in both nations share a positive vision for the relationship's future.

Economic Partnership & Sectors:

- The U.S. is Pakistan's largest export market and a top source of FDI.
- Over 80 U.S. firms operate in Pakistan, employing over 120,000 Pakistanis.
- The U.S. encourages Pakistan to buy more high-value American imports (machinery, technology).
- Key growth sectors for collaboration include Digital Trade, Agriculture, Healthcare, and Mining/Minerals.

Critical Reforms Needed:

- FDI is at a 50-year low (0.6-0.7% of GDP).
- Pakistan must broaden its tax base to match regional competitors.



- A more predictable business environment with stable policies is essential.
- The government must protect Intellectual Property (IP) rights.
- Investment dispute resolution mechanisms need to be faster and more transparent.



Opening Remarks



Dr. Zeelaf Munir

Chairperson - The Pakistan Business Council
CEO & Managing Director – EBM

 [Opening Remarks - Dr. Zeelaf Munir \(Chairperson - PBC\)](#)

Key Takeaways

Foundational Vision

- **Beliefs:** Founded on responsible enterprise and research-driven policy to steer Pakistan toward a competitive future.
- **Next 20 Years:** The focus must shift from building credibility (the last 20 years) to building profitability for the nation.

Impact and Potential

- **Economic Clout:** PBC members are huge economic drivers, contributing 11.0% of GDP, nearly half of Pakistan's exports, and employing millions.
- **National Assets:** Pakistan's immense potential rests on its dynamic young population, increased women's participation, and strategic location.
- **Formula:** Confidence drives investment, investment drives jobs, and jobs drive prosperity.

Path to Competitiveness

- **Policy Need:** Pakistan is moving from crisis management to competitiveness, requiring consistent, predictable policy and government action on structural weaknesses to restore confidence.
- **Goal:** Make every province a center of profitability and growth. The PBC views itself as a partner, bringing expertise and evidence to actively build the nation's prosperity.



Programme Outline



Javed Kureishi

CEO - The Pakistan Business Council

 [Programme Outline - Javed Kureishi \(CEO - PBC\)](#)

Key Takeaways

Shared Purpose & Institutional Foundation

- The audience's presence represents a shared purpose for Pakistan's economic future.
- The Pakistan Business Council (PBC) was built on a belief in institutions and Pakistan's capacity to compete.



Economic Crossroads: Challenges and Opportunities

- Pakistan is currently at a crossroads between Challenge and Opportunity, requiring the transformation of challenges into growth pathways.
- The operating environment is demanding, marked by slow growth, high taxation, and global market uncertainty.
- Reasons for optimism include progress in the IMF programme, geopolitical goodwill, and the advancing role of technology and AI.
- Pakistan possesses all the right ingredients for a strong economic renewal, provided the right conditions for business confidence are created.



Programme Focus & PBC's Role

- The Dialogue on the Economy aims to explore the fiscal landscape, investment climate, future of trade, and role of technology.
- The focus will move from analysis to clear direction, identifying urgent reforms and the most important policies.
- For 20 years, the PBC has grounded its work in evidence and research.
- The PBC's advocacy is guided by a belief in responsible, rule-based business grounded in facts, not slogans.

Day 1: Session 1

Inclusive and Sustainable Economic Growth beyond Stabilization

Moderator



Humza Jilani
Correspondent –
Financial Times



Dr. Ali Cheema
Vice Chancellor
LUMS



Ali Khizer
Director - Business
Recorder

Panelists:



Dr. Ishrat Husain
Former Governor -
SBP, Former Dean &
Director - IBA



Dr. Reza Baqir
D & Global Head
Sovereign Advisory
Services - Alvarez &
Marsal



Dr. Shamshad Akhtar
Chairperson &
Independent
Director - PSX



[Inclusive & Sustainable Economic Growth Beyond Stabilization](#)

Key Takeaways

The Stagnation Problem

- No Growth Strategy:** Economy is stable but lacks a growth strategy and has the lowest investment-to-GDP ratio.
- Flawed Model:** Past growth relied on consumption and debt, not productive capacity.
- Constraints:** The 11.0% policy rate constrains investment. The tax-to-GDP ratio (9.8%) is critically low, and manufacturing has failed to expand.



Structural Weaknesses

- Policy Disconnect:** Lack of coordination between the private and public sectors.
- Misallocation:** Borrowing is for unproductive purposes. Taxes target productive activity while under-taxing unproductive assets (like property).
- Human Capital:** Education and health are major weaknesses.
- Ineffective Policy:** No clear, research-backed industrial strategy.



Path to Sustainable Growth

- New Focus:** Growth must come from non-debt inflows. The economy must pivot to industrial and manufacturing capacity.
- Targeted Policy:** Use expansionary fiscal policy targeted only at productive sectors.
- Modern Governance:** Adopt Industrial Policy 2.0 (focusing on human capital and R&D) and ensure greater transparency and institutional coherence for long-term transformation.
- Government Role:** Step back from obstructing business and step forward to provide public goods (health, education).



State of the Economy & Monetary Policy



Jameel Ahmad

Governor - State Bank of Pakistan

 [State of the Economy & Monetary Policy](#)

Key Takeaways

How This Stabilization is Different

The current effort is seen as qualitatively stronger than past episodes due to:

- **Sustained Discipline:** Achieving stability through disciplined, coordinated monetary and fiscal policies that avoid premature easing.
- **Forward-Looking Policy:** SBP's Monetary Policy is now forward-looking, reviewing projections for the next eight quarters.
- **Quality FX Reserves:** External buffers have been rebuilt (from \$2.9Bn to \$14.5Bn) through strategic FX purchases, not debt. The external debt-to-GDP ratio is declining.
- **Fiscal Commitment:** The government has maintained ambitious fiscal consolidation for three consecutive years, surpassing primary surplus targets.
- **Long-Term Vision:** Policy-making is shifting toward a long-term vision of prosperity, moving away from past consumption spurts.



What Must Change for Sustainable Growth

To prevent another crisis, the focus must shift entirely from stability to sustained and inclusive growth.

- **Private Sector Mandate:** Must shift from looking inward to outward, competing on the global stage, and integrating into Global Value Chains (GVCs) without relying on subsidies.
- **Human Capital:** Firms must invest in upskilling employees (digital, technical) and pursue joint ventures for technology transfer.
- **Financing:** Firms must look beyond traditional banking to domestic and global capital markets for longer-term funding.



- **Formalization:** Large businesses must document their supply chains to strengthen operations and enable SMEs to access formal credit.
- **Policy Direction:** Government and SBP will continue structural reforms; the private sector must invest in productivity, look outward, and collaborate.



Day 1: Session 2

Maximizing the Geopolitical Window

Moderator



Saqib H. Shirazi
President & CEO - Atlas
Honda

Panelists:



Ejaz Haider
Senior Resident Fellow -
Centre for Security, Strategy
and Policy Research



Dr. Maleeha Lodhi
Former Ambassador to
the UN, USA & UK



Dr. Moeed W. Yusuf
Vice Chancellor,-
BNU



[Maximizing the Geopolitical Window](#)

Key Takeaways

Governance and Foreign Policy Failures:

- **Policy Disconnect:** The country suffers from “External Over-reach and Internal Under-reach.” Foreign engagement is not supported by necessary domestic reforms.
- **Reform Lag:** Governance issues in the judiciary, human development, and economics are causing a lack of domestic reforms.

Human Capital and Elite Capture

- **Human Capital Crisis:** There is a severe human capital crisis; 40.0% of the population is illiterate (especially women), poverty is 40.0%, and healthcare deficits are huge.
- **Education:** Despite being declared an emergency twice, education is neglected, and the public sector cannot shift this responsibility to the private sector.
- **Elite Capture:** A powerful elite, focused on self-enrichment, is reform resistant and operates beyond the law.
- **Cost:** Privileges for these elites cause an estimated 5% loss to GDP and operate at the expense of the public.

Geopolitical and Economic Fragility

- **Security vs. Economics:** Economic assistance obtained through strategic security partnerships often fails to translate into domestic reforms because partners focus only on hard security KPIs (Key Performance Indicators).
- **Foreign Investment Deterrents:** Low foreign investment, even from major partners, is due to lack of security for personnel, Uncertainty over Pakistan’s





governance & publicly requesting debt restructuring, which signals fragility.

- **Global Uncertainty:** The world is seen as entering a period of pre-WW1 (World War- 1) alliance structure and pre-WW2 (World War 2) uncertainty due to unstable global policies.



Day 1: Session 3

Fiscal Policy & its Impact on the NFC Award

Moderator



Ahmad Iqbal Chaudhary
Member of the Provincial
Assembly – Punjab

Panelists:



Dr. Kaiser Bengali
Economist



Dr. Miftah Ismail
Former Minister of
Finance



Nasim Beg
Director- Arif Habib
Corporation Ltd.



Shahid Mahmood
Former Secretary of
Finance



[Fiscal Policy & its Impact on the NFC Award](#)

Key Takeaways

The Core Fiscal Imbalance

- Vertical Imbalance:** The 7th NFC Award mandates that the federal government transfer 60.0-63.0% of collected taxes to provinces, leading to a massive federal debt buildup and high national deficits.
- Provincial Surplus Paradox:** Provinces maintain a healthy budgetary surplus (921.0 billion rupees in 2024-25) while the Centre faces bankruptcy.
- Failed Outcomes:** Despite receiving more funds, provinces show poor Human Development Index (HDI) results are such that 27 million children are out of school, and the failure to improve health and education is deemed a governance and institutional issue, not a lack of funds.

Urgent Structural Reforms Required

The next NFC must be used as a tool for fiscal consolidation and social accountability:

- Debt Restructuring:** Government debt held by financial institutions should be re-profiled into longer maturities to save the state trillions in interest, provided comprehensive structural reforms are undertaken simultaneously.
- Tax Structure Reform (Split Pool):** Divide the Divisible Pool by tax type to incentivize direct tax collection: Direct Tax (80.0% Central, 20.0% Provincial) and Indirect Tax (20.0% Central, 80.0% Provincial).
- Link Transfers to Outcomes:** Move the debate from “who gets what” to how to use NFC for social development. The formula should be revised to reduce reliance on population and include incentives for social metrics (e.g., forest acreage).



- **FX Allocation Rules:** Revise rules so provinces undertake projects that generate or save foreign exchange, instead of politically motivated, high-FX-cost projects (as the federal government bears the FX risk).
- **Local Government (LG):** A new NFC must include a dedicated chapter outlining the structure, powers, and financing of the third tier of government (Local Government), complemented by a Provincial Finance Commission (PFC).



Day 1: Session 4

Climate Resilience: Who Pays the Price of Delay?

Moderator



Nazish Shekha
Head of Initiative, CERB-
Pakistan Business Council

Panelists:



Musadik Malik
Federal Minister for Climate
Change & Environmental
Coordination



Sam Waldock
Development Director -
British High Commission,
Islamabad



Syed Jamal Baquar
CEO - TPL RMC



[Climate Resilience: Who Pays the Price of Delay?](#)

Key Takeaways

Severity of the Crisis

- Humanitarian Cost:** Recent major floods caused thousands of deaths and injuries, 2 million displacements, and 120 million lost school days.
- Economic Damage:** Single flood events have repeatedly wiped out 5.0 – 9.8% of GDP.
- Public Health:** Smog reduces life expectancy by 4–5 years in major cities.
- Barriers:** Outdated policies and heavy taxes hinder resilience efforts.

Focus for Businesses

The message is clear: “Climate is the business.” Companies must:

- Integrate Risk:** Incorporate climate risk into core planning using data.
- Leverage Finance:** Utilize climate-finance instruments to adopt new technologies.
- Build Resilience:** Embed long-term resilience into models and infrastructure to gain a competitive edge in the low-carbon transition.
- Private Action:** Private capital is already driving resilience, such as investing in resource-efficient real estate and ecosystem restoration.





Pakistan's Improved Outlook



Senator Muhammad Aurangzeb

Federal Minister for Finance & Revenue

 [Pakistan's Improved Outlook](#)

Key Takeaways

Policy & Economic Status

- **PBC's Role:** PBC's evidence-based input is crucial for fact-driven, practical reforms.
- **Swift Action:** The Prime Minister took decisive steps, including abolishing export charges and shifting governance oversight to the private sector.
- **Cautious Growth:** Early signs of growth are visible in Large-Scale Manufacturing (LSM), cement, and automobiles, but caution is still required.
- **Investor Confidence:** Investor sentiment is improving, with 73.0% of Overseas Chamber members now viewing Pakistan as a viable FDI destination.
- **External Buffers:** Refinancing is essential to build fiscal and external buffers against global shocks.

Structural Reforms & International Interest

- **Global Shift:** A global investment shift toward Asia and the Middle East creates an opportunity.
- **MNC Interest:** Firms in mining, minerals, and electric vehicles have shown interest.
- **Digital Integration:** Google announced plans to open a local office and develop Pakistan as a technical and export hub.
- **Key Reform Areas:**
 - **Tax:** Reforms are based on people, processes, and technology, shifting focus to long-term policy-making.
 - **Debt/Pension:** Debt management reforms are reducing refinancing risk. Pension reforms are operational for new government employees to prevent fiscal bleeding.
 - **Digital Assets:** Pakistan's high crypto participation is leading to the formation of the Pakistan Crypto Council and a Virtual Regulatory Authority.
 - **Upcoming:** 11th NFC Award meeting and planned Panda bond issuance for external financing.





Day 1: Session 5

Designing Tax Policies for Optimal Revenue Generation

Moderator



Ziad Bashir
Vice Chairman - PBC
Founder Director - Ideas
by Gul Ahmed



Haroon Akhtar Khan
Special Assistant to Prime
Minister for Industries &
Production Division

Panelists:



Dr. Najeeb A. Memon
Director General (Head of
Tax Policy Office) - Finance
Division, GoP



Sajjad Taslim Azam
Member (IR Policy)
- FBR



Shabbir Diwan
CEO - Gatron
Industries limited



[Designing Tax Policies for Optimal Revenue Generation](#)

Key Takeaways

The Tax Problem

- Taxing the Documented:** The documented sector is the most convenient source of tax, which is unsustainable. Growth requires fairness, stability, and predictability.
- Fixing the Net:** The tax net must be widened by simplifying the tax law and reducing high technical and administrative costs. Enforcement alone is insufficient.
- High Burden:** The current tax burden (e.g., corporate tax, super tax, minimum turnover tax) creates layered obligations that hinder investment.
- Technology Role:** FBR is using digital transformation to connect data and compel the informal sector into compliance, as sustained GDP growth is the most reliable driver of tax revenue.
- Agriculture Gap:** The agriculture sector (25.0% of GDP) is largely undocumented because no institution exists to collect the legal agriculture income tax.

Path to Sustainable Growth (Industrialization)

- Industrial Priority:** Industrialization is the only path to sustainable growth. Manufacturing must return from 18.0% to 26.0% of GDP.
- Investment:** Domestic investment must lead to attract foreign investment.
- Export Target:** Exports must rise to 15.0 – 20.0% of GDP to stabilize trade. Import substitution is necessary to reduce reliance on foreign goods.
- Policy Focus:** Policymaking must involve consultation with the private sector to create consensus-driven laws that fit domestic reality, avoiding reliance on unadapted





foreign templates.

- **FDI Factors:** Attracting Foreign Direct Investment (FDI) hinges on streamlining security, energy cost, and taxation.



Day 1: Session 6

Leveraging Technology & AI for Economic Prosperity

Moderator



Dr. Ali Hasnain
Associate Professor -
LUMS

Panelists:



Monis Rahman
Founder & Chairman
Recruit AI, Rozee, Dukan



Safwan Shah
CEO & Founder -
PayActiv.



[Leveraging Technology & AI for Economic Prosperity](#)

Key Takeaways

The Opportunity

- Intelligence Commoditized:** AI is an existential opportunity that commoditizes intelligence (like “Einstein in your pocket”), lowering the skill barrier for high-value work.
- Human Asset:** Pakistan’s annual influx of 2 million low-skilled people can be trained on AI tools to become a cheap global workforce.
- New Utility:** The government must treat AI as a new public utility to ensure universal access.

Critical Needs

- Infrastructure Deficit:** The country is “not hearing the music” and lacks adequate infrastructure (data centers, GPUs, reliable internet).
- Dual Model:** Leverage global models but also fine-tune open-source models with Pakistan’s vast local data (in Urdu and according to context) for specific national use cases.
- Governance:** Rules are needed for data residency, privacy, and protection to build trust and security.





The Future of Cryptocurrency in Pakistan



Dr. Asad Samar

CEO - Square Point Trading Group

 [The Future of Cryptocurrency in Pakistan](#)

Key Takeaways

Core Concepts

- **Definition:** A cryptocurrency is a digital asset that uses cryptography for security, operating without a central authority.
- **Technology:** It relies on a blockchain (a hash-linked, immutable sequence of blocks) and a distributed ledger (shared, verified database).
- **Market:** The global crypto market cap is approximately \$2.5 trillion, with high daily trading volume and integration into traditional finance (futures, ETFs).

Pakistan's Regulatory Challenge

- **Ineffective Ban:** Pakistan maintains an almost complete ban on crypto, yet prohibition has proven ineffective.
- **Scale:** On-chain analytics rank Pakistan among the top global markets (8th worldwide). Estimates suggest Pakistanis hold USD 20–25 billion in crypto, indicating massive, undocumented capital outflows.
- **Path to Regulation:** The government is establishing the Pakistan Crypto Council and a regulatory authority (PVARA).
- **Rationale:** Legalizing and regulating the activity, which is “happening anyway,” is seen as a practical step to generate tax revenue and control cross-border flows.





Day 1: Session 7

Trade & Tariffs

Moderator



Usman Khan
Director & Economist - TPI
LUMS

Panelists:



Dr. Aneel Salman
OGDCL-IPRI Chair -
Economic Security



Fawad Anwar
MD - Al-Karam Textile
Mills Pvt. Ltd.



Musadaq Zulqarnain
Chairman - Interloop &
Interloop Holdings



Rizwan Diwan
CEO - Novatex
Limited

 [Trade & Tariffs](#)

Key Takeaways

Key Failures

- **Costs Ignored:** The NTP ignores the high cost of doing business (e.g. 300.0% increase in gas prices, high interest rates). Tariff changes alone are ineffective.
- **Policy Paralysis:** There is a severe lack of coordination; tariff policy is made in isolation from energy, monetary, and industrial policy.
- **Anti-Export Bias:** The domestic market is distorted by inflows of untaxed money, making local sales more profitable than exports, stifling growth.
- **Low-Value Trap:** The export sector has stagnated for 77 years in low-value textiles and failed to climb the value chain.

Path Forward

- **Shift Incentives:** Move from fiscal incentives to cost-based incentives. Energy prices need to be rationalized.
- **Industrialization:** Industrialization is the only path to create the millions of jobs required by the demographic challenge.
- **Institutional Clarity:** Simplify overly complex export promotion schemes and eliminate the perception that wealth creation is a crime.





PBC 20th Anniversary



Abdul Razak Dawood

Chairman - PBC Advisory Board

 [Abdul Razak Dawood | PBC](#)

Key Takeaways

PBC's Identity and Origin

- **Origin:** Founded in 2004 by manufacturers to represent the formal sector's interests, distinguishing itself from traditional bodies focused on traders.
- **Principle:** Focuses on national interests and research-based advocacy, not individual or sector-specific gains.
- **Governance:** Leadership rotates systematically, ensuring professionalism and credibility.

National Impact

- **Growth:** Grew from 14 members to 100 members today.
- **Economic Contribution:** PBC members account for 40.0% of Pakistan's exports and 33.0% of direct taxes, employing 3 million people.
- **Influence:** Recognized as a credible institution, actively participating in government working groups.

Future Focus

- **Commitment:** Must uphold core principles (freer economy, trade with India, broader tax net), even when unpopular.
- **Sustainability:** Key challenge is building a lasting institution across generations, requiring membership growth and funding to support long-term initiatives and SMEs.





Day 2: Session 1

Foreign Direct Investment in Pakistan: Challenges and Opportunities

Moderator



Saira Awan Malik
President - TCS Group



Muhammad Afzar Ahsan
Former Minister for
Investment



Fawad Mukhtar
CEO - Fatima Group

Panelists:



Dr. M. Jehanzeb Khan
Secretary, Apex
Committee - SIFC



Samar Hayat
CEO - Tapal Tea
Pvt. Ltd



Shazad Dada
Founder & Managing
Partner - Dada
Partners



[Foreign Direct Investment in Pakistan: Challenges and Opportunities](#)

Key Takeaways

The Problem

- No Trust:** The core deterrent is policy haphazardness and a lack of continuity.
- Wrong FDI:** The country attracts “market-seeking” FDI (hot money) instead of the desired “efficiency-seeking” FDI (export-oriented, sticky).
- Domestic Crisis:** Domestic investors are holding back hundreds of billions, demanding the same protections as foreigners.
- Institutional Chaos:** Key economic institutions are not autonomous, and six different investment bodies dilute efforts.



The Path Forward

- Policy Coherence:** Align all economic policies (tax, energy, investment) and establish 5- or 10-year policy continuity.
- Focus on Existing:** Focus 90.0% of effort on satisfying existing local and foreign investors to signal stability.
- Institutional Reform:** Make key economic bodies truly autonomous. Merge all six investment bodies into a single, powerful platform.
- Mindset Shift:** Confidently market Pakistan’s strengths (youth, IT, large market) and use GCC’s \$3 trillion as a strategic opportunity for large, stable “anchor investments.”





Day 2: Session 2

Energy Landscape - Reforming for Resilience

Moderator



Ruhail Muhammad
CEO - Lucky Electric
Power Company Ltd.

Panelists:



Sardar Awais Leghari
Federal Minister for
Energy (Power Division)



Danish Khaliq
Vice President Sales
& Strategy, BYD - MMC
Pakistan



Dr. Naveed Arshad
Director of Energy
Institute - LUMS



Syed Muhammad Ali
MD - Sapphire Textiles
Energy

Key Takeaways

Diagnosis & Goals

- **Fragile System:** Grid, finances, and governance are not resilient to shocks.
- **Reform Direction:** Shifting away from a single-buyer model toward competitive markets, depoliticization, and local efficiencies.
- **Goal:** Procure only competitive, non-burdensome power.

Technological Disruption

- **Solar Adoption:** 33 GW of solar (mostly small, distributed setups) have been installed, challenging the old grid model.
- **Storage Game Changer:** The high-cost argument against energy storage is outdated due to falling battery prices and new chemistries.
- **Policy Lag:** Consumers are already exploring advanced models (micro credits, local trading) while policy is stuck in net metering.
- **EV Integration:** Electric Vehicles (EVs) are a “step change,” reducing fuel import reliance and pollution. With smart meters, EVs can strengthen the grid through better load management.

The Verdict

Technology and consumer behaviour are moving faster than regulation, forcing Pakistan to leverage this disruption or remain locked in legacy inefficiencies.

[Energy Landscape- Reforming for Resilience](#)





Beyond Banking: Sowing Change



Sultan Ali Allana

Chair - HBL & Director - AKFED

 [Beyond Banking: Sowing Change](#)

Key Takeaways

The Challenges

- **Yield Gap:** Cereal yield increased by only 21.0% while population grew by 28.0%. Major crops (Wheat, Rice, Cotton) are 20.0 – 37.0% below global averages.
- **Trade Impact:** Low yields have driven food imports to 13.0% of total imports. Cotton has become an import commodity.
- **Market Capture:** 80.0% of farmers rely on middlemen (Aarthis), who capture 30.0 – 50.0% of the value.
- **Land Quality:** 30.0% of arable land is affected by salinity.

HBL's Three-Pillar Solution

HBL, the largest private agri-financier, uses a holistic model to bypass middlemen and integrate farmers:

1. **HBL (Core Bank):** Provides loans for large/medium farmers and digital access to over 20 million customers.
2. **HBL Microfinance:** Focuses on small/micro farmers with personalized, doorstep service.
3. **HBL Zarai (Value Chain):** Offers advice, technology, and market access through DERAS.

- **Zarai's Role:** It provides input aggregation, mechanization, warehousing (to reduce post-harvest loss), and logistics, directly connecting farmers to large food processors and ensuring better prices.
- **Innovation:** HBL Microfinance partnered with Suparco for Pakistan's first climate-smart agri-financing, using satellite data to assess crops.





Day 2: Session 3

Unlocking Pakistan's Untapped Mining Resources for National Wealth

Moderator



Shamsuddin Sheikh
CEO – NRL



Ali Pervaiz Malik
Federal Minister of
Petroleum

Panelists:



Col. Dr. Hamid Ashraf
Advisor- Geological
Survey of Pakistan



Muhammad Al Tabba
CEO - Lucky Group



Zarrar Jamali
Country Manager -
Reko Dqe Mining Company

Key Takeaways



[Unlocking Pakistan's Untapped Mining Resources for National Wealth](#)

The Nature of Mining Investment

- **Long-Term Commitment:** Mining projects require immense patience and long-term thinking, typically needing 8–10 years from initial exploration to full operation and financing.
- **High Risk and Capital:** This is a highly capital-intensive sector with high inherent risks. Investors must have deep pockets of financing.
- **Incentivizing Exploration:** Because of the long gestation period, the early exploratory regime must be incentivized to attract the patient capital needed for subsequent large-scale foreign investment.

Critical Policy and Institutional Hurdles

- **Legislative Fragmentation:** A major hurdle is the lack of a unified framework due to different mining legislatures in each province. These must be harmonized into a single, cohesive regulatory environment to encourage capital flow.
- **Benchmarking:** New fiscal and regulatory regimes must be benchmarked against international best practices (e.g., British Columbia, Australia, Kazakhstan) to be competitive.
- **Value Addition:** The belief that smelters are not feasible for Pakistan is a myth that currently blocks logistical efficiency and prevents a necessary shift from exporting raw ore to value-addition through local processing.
- **Geological Data:** To de-risk investment, an accelerated geological mapping initiative was launched to increase national coverage from 35.0% to 80.0%, making verifiable data available to interested parties.



Mining as a Catalyst for Development

- **National Opportunity:** Mining can diversify exports and bring large-scale foreign exchange flows, positioning Pakistan to capitalize on the surging global demand for critical minerals.
- **Balochistan Development:** Mining is viewed as a solution for Balochistan's development problem by channelling inclusive growth.



Day 2: Session 4

Privatization & Private Sector Participation (PSP)

Moderator



Musarrat Jabeen
Executive Director - SECP

Panelists:



Arif Habib
Founder - Arif Habib
Group



Farrukh H. Sabzwari
CEO & MD - PSX



Muhammad Ali
Advisor on to the PM on
Privatization Chairman of
the Privatization Commission



Naz Khan
Principal Country
Officer - IFC

Key Takeaways

Key Issues:

- Fiscal Drain:** State-Owned Enterprises (SOEs) cause over Rs 1,000 billion in annual losses and consume scarce fiscal space.
- Eroded Meritocracy:** State control has fostered a “who you know” system and eroded institutional quality.
- Obstacles:** Privatisation is stalled by loosely defined “strategic” assets and a political/psychological resistance to wealth creation.

Suggestions:

- Goal:** Use privatisation to reform entire sectors, increasing competition, improving service delivery, and restoring market health.
- Focus:** Non-strategic assets must be sold (loss-making or profit-making). Strategic functions (e.g., security) can be ring-fenced.
- Capital Markets:** PSX aims to become the central platform for capital formation, simplifying investment access and pursuing a “12-in-12” listing pipeline.
- Acceptance:** Pakistan must accept that allowing investors to take risk and create wealth is a prerequisite for growth and tax generation.

 [Privatization and Private Sector Participation \(PSP\)](#)





SIFC Update on FDI & Economy



Lt. Gen. Sarfraz Ahmad

National Coordinator - Special Investment Facilitation Council (SIFC)

Highlights





Transformation of the FBR



Rashid Mahmood Langrial
Chairman - FBR



Dr. Hamid Ateeq Sarwar
Member (IR Operations) - FBR



Syed Shakeel Shah
Member (Customs Ops) - FBR



Ali Jan Khan
TA Team - FBR



[Transformation of the FBR](#)

Key Takeaways

Compliance Challenge

- Problem:** Many high-earners (top 1.0%) file returns but declare “impossible” low incomes despite owning high-value assets like property and vehicles.
- Focus:** The priority is to deepen the tax base (accurate reporting) over merely broadening it.
- Data Use:** FBR uses CNIC-linked data to flag individuals whose asset ownership (especially high-value transactions like property) does not match their declared income. This taps into an estimated PKR 1.2 trillion asset base.

Technology and Governance

- Production Monitoring:** Simple AI and video analytics are used to count real-time production in major sectors (cement, sugar), generating PKR 90 billion in additional revenue by eliminating previously untaxed output.
- Digital Invoicing:** A rapid rollout of digital invoicing (B2B) is underway to record transactions and automatically generate sales tax filings, improving transparency and compliance.
- Internal Reform:** A fully digital RRS system (Recruitment/Reward/Retention) with anonymous peer reviews and forced ranking has been introduced for IRS and Customs officers, drastically improving integrity and performance.
- Goal:** Lift the current 12.0% tax-to-GDP ratio toward a target of 18.0% through better compliance.





Closing Remarks



Javed Kureishi

CEO - The Pakistan Business Council

 [Concluding Session - Javed Kureishi \(CEO - PBC\)](#)

Key Takeaways and Directives

- Relentless Action: The event generated significant insights and work that requires relentless follow-up and continuous engagement with the government.
- Shift in Stance: The business community, particularly the PBC, must move from being on the back foot to the front foot.
- Value Proposition: The private sector must assert its role as the creators of wealth, jobs, and employment in the country.
- Teamwork and Unity: Success requires teamwork and the business community must act as one voice across the country and all cities. The message is clear: the stronger and more unified the business community is, the stronger its case for necessary economic reform will be.



Consolidated Summary: Key Economic & Policy Recommendations

Dialogue on the Economy – Day 1 & 2

Based on the expert discussions, the core recommendations for Pakistan's economy center on a radical shift from consumption and policy fragmentation to export-led growth anchored by institutional autonomy and technological integration.

Financial and Fiscal Reform

Taxation:

- Deepen the Tax Base: Prioritize ensuring existing high-earning filers accurately report income (deepening) over merely broadening the net.
- Reduce Rates: Rationalize and reduce high corporate tax rates (aiming for approx. 25%) and eliminate inter-corporate levies to encourage investment.
- Digital Enforcement: Fully leverage technology (AI video analytics for production monitoring, digital B2B invoicing) to track high-value transactions and enforce compliance, aiming to lift the tax-to-GDP ratio from 12.0% to 18.0%.

Monetary & Exchange:

- Adopt a pragmatic, market-oriented approach to foreign exchange and interest rates.
- Reduce interest rates in line with falling inflation and stop artificially maintaining the exchange rate.

Trade, Industry, and Investment

- Growth Model Pivot: Abandon the unsustainable consumption-driven, debt-fuelled model and achieve national consensus for a private-sector-led, export-oriented growth strategy.
- Policy Continuity: Establish policy consistency over a 5- or 10- year horizon and ensure administrative continuity to restore investor confidence.
- FDI Quality: Focus efforts on attracting “efficiency-seeking” FDI (export-oriented manufacturing) and set a goal to triple net FDI to approx. \$3.0 billion annually.
- Phasing Protection: Gradually phase out protections across all sectors (autos, fertilizer, textiles) to force global competitiveness and move exports out of the low-value trap.



Governance and Institutional Overhaul

- Autonomy: Make key economic institutions (State Bank, FBR, NEPRA, SECP) truly autonomous and free from political interference.
- Eliminate Fragmentation: Merge the six competing investment promotion bodies into a single, unified platform to provide a one-window solution.
- SOE Reform: Treat privatisation as a structural reform (not a fiscal patch). Sell all non-strategic SOEs and clearly ring-fence only truly strategic functions (like security or storage).
- Energy Costs: Rationalize energy prices and fully depoliticize the energy sector.

Technology, Resources, and Human Capital

- AI as Utility: Treat AI as a new public utility. Invest in AI infrastructure (GPUs) and focus on fine-tuning global models with local data to create a globally competitive workforce.
- Agriculture: Reform the value chain by bypassing middlemen (Aarthis) through private sector and digital logistics. Use satellite data for climate-smart financing.
- Mining: Harmonize fragmented provincial mining laws and promote the shift from exporting raw ore to value-addition (smelters) to unlock the nation's approx. \$7.0 trillion resource potential.











The Pakistan Business Council: An Overview

The Pakistan Business Council (PBC) is a research-based business advocacy platform established in 2005. It is now supported by over 100 private sector local and multinational businesses with significant investment in, and long-term commitment to sustainable growth of the country. They come from 14 countries, have leading roles in 17 major sectors of the formal economy, generate 40% of annual exports, contribute a third of Pakistan's total tax revenues and employ three million. Their combined sales represent every 6th Rupee of Pakistan's GDP.

PBC's major objectives are to advocate policies that lead to creation of jobs, value-added exports and reduction in import reliance through improved competitiveness of manufacturing, services and the agriculture sectors. It also promotes formalization of the economy.

PBC's over-arching theme, "Make-in-Pakistan" consists of three pillars: "Grow More/Grow Better", "Make More/Make Better" and "Serve More/Serve Better." Its evidence-based advocacy is backed by over a hundred studies to date, through its full-time research team, supplemented by collaborative research with renowned industry experts and economists. Through its Centre of Excellence in Responsible Business (CERB), PBC works to build capacity and capability of businesses beyond its membership, to adopt high environmental, social and governance standards. PBC holds conferences, seminars and webinars to facilitate the flow of relevant information to all stakeholders in order to help create an informed view on the major issues faced by Pakistan. Through its presence in Islamabad and Karachi, it works closely with relevant government departments, ministries, regulators and institutions, as well as other stakeholders including professional bodies, to develop consensus on major issues impacting the economy.

PBC is a pan-sectoral, not-for-profit, Section 42 entity. It is not a trade body; therefore, it does not advocate for any specific business sector. Rather, its key advocacy thrust is on easing barriers that thwart competitiveness of businesses in Pakistan.

Further information on the PBC is available on: www.pbc.org.pk.

The PBC's Founding Objectives

- To provide for the formation and exchange of views on any question connected with the conduct of business in and from Pakistan.
- To conduct, organize, set up, administer and manage campaigns, surveys, focus groups, workshops, seminars and fieldwork for carrying out research and raising awareness in regard to matters affecting businesses in Pakistan.
- To acquire, collect, compile, analyze, publish and provide statistics, data analysis and other information relating to businesses of any kind, nature or description and on opportunities for such businesses within and outside Pakistan.
- To promote and facilitate the integration of businesses in Pakistan into the World economy and to encourage in the development and growth of Pakistani multinationals.
- To interact with governments in the economic development of Pakistan and to facilitate, foster and further the economic, social and human resource development of Pakistan.

The PBC Member Companies





JS BANK

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PSL
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PSX
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SAIF GROUP

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SICPA

SIEMENS

Soneri Bank

SOORTY
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SPEL
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Enterprises Limited

Standard
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systems

TAPAL

VTS
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PROTECTS
Tetra Pak®
WHAT'S GOOD

TG

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TTE

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UBL
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Unilever

Young's

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