



# THE PAKISTAN BUSINESS COUNCIL

PROFILE

DECEMBER 2023



## THE PAKISTAN BUSINESS COUNCIL: AN OVERVIEW

The Pakistan Business Council (PBC) is a research-based business advocacy platform established in 2005, 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. 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. Its overarching theme is *"Make-in-Pakistan"* under which it has three platforms: *"Grow More/Grow Better"*, *"Make More/Make Better"* and *"Serve More/Serve Better"*

The PBC is a not-for-profit entity, registered under Section 42 of the Companies Ordinance 1984. It is a pan-industry advocacy group, not a trade body and therefore does not advocate for any specific business sector. Rather, its key advocacy thrust is on easing barriers to allow businesses in Pakistan to compete in regional and global arenas. The PBC conducts research and holds conferences and seminars to facilitate the flow of relevant information to all stakeholders to help create an informed view on the major issues faced by Pakistan. There are over 200 studies available on its website, produced by a full-time research team and expert collaborators.

Through its Head Office in Karachi and the Regional Office in Islamabad, the PBC works closely with the relevant government departments, ministries, regulators and institutions, as well as other stakeholders including professional bodies, to develop consensus on major issues which impact the conduct of business in and from Pakistan. The PBC has submitted key position papers and recommendations to the government on legislation and other government policies affecting business. It also serves on various task forces and committees of the Government of Pakistan as well as those of the State Bank, SECP and other regulators with the objective to provide policy assistance on new initiatives and reforms.

In 2017, the PBC established its first outreach initiative, the Centre of Excellence in Responsible Business (CERB). Its research captures good business practices to help stimulate the economy by providing opportunities for inclusive livelihood and guidance on sustainably using the country's limited resources. CERB provides insight and advisory on key elements of responsible business, and acts as a platform for companies to network, build capacity and collaborate with peer companies.

## THE PBC'S FOUNDING OBJECTIVES

01 To provide for the formation and exchange of views on any question connected with the conduct of business in and from Pakistan.

02 To conduct, organize, set up, administer and manage campaigns, surveys, focus groups, workshops, seminars and field works for carrying out research and raising awareness in regard to matters affecting businesses in Pakistan.

03 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.

04 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.

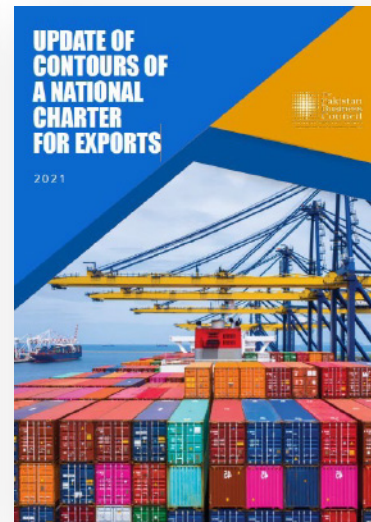
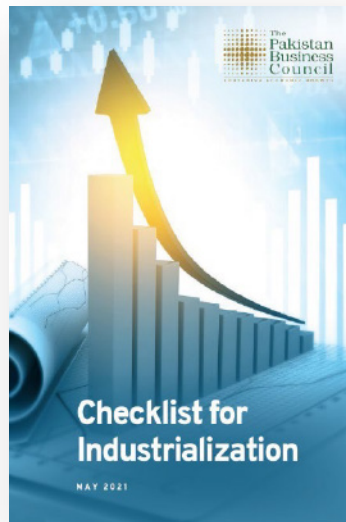
05 To interact with governments in the economic development of Pakistan and to facilitate, foster and further the economic, social and human resource development of Pakistan.

# RECENT PUBLICATIONS

The PBC's advocacy is supported by research work  
(see [www.pbc.org.pk/research](http://www.pbc.org.pk/research).) Some of the major  
publications of the PBC include:

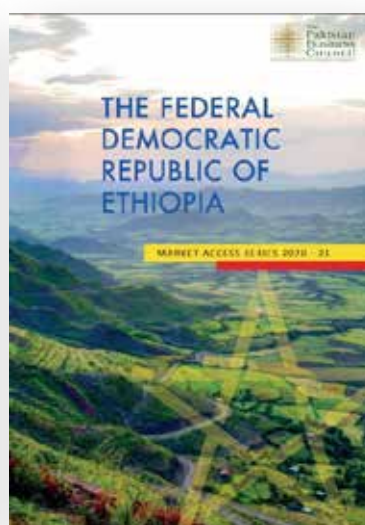
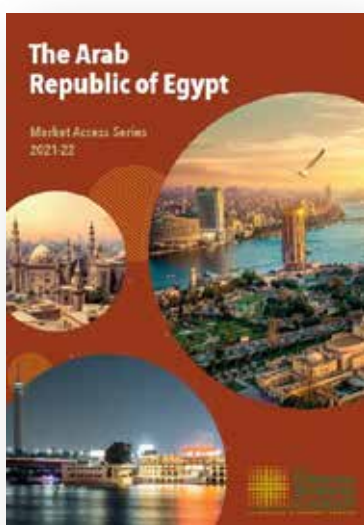


## GENERAL ADVOCACY

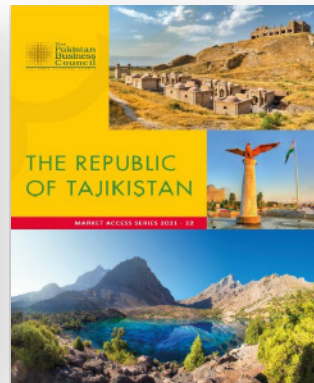
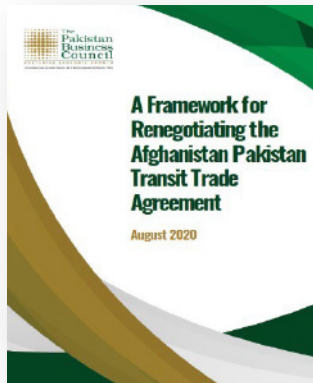


## MARKET ACCESS AND COUNTRY REPORTS

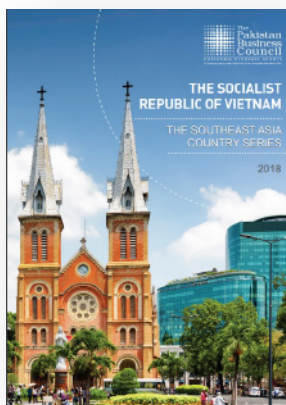
### AFRICA



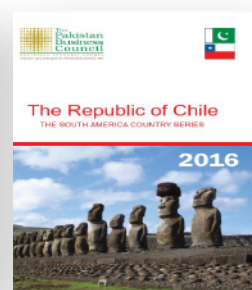
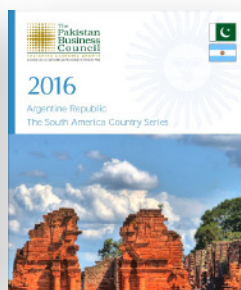
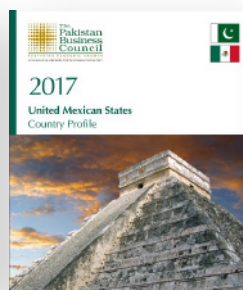
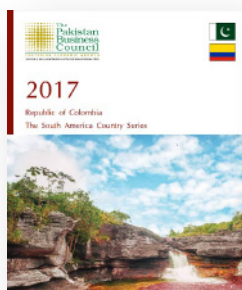
## AFGHANISTAN AND CENTRAL ASIA



## SOUTH EAST ASIA

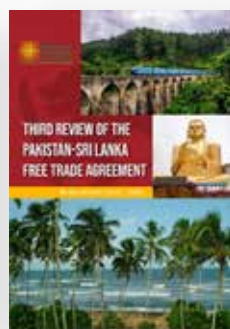
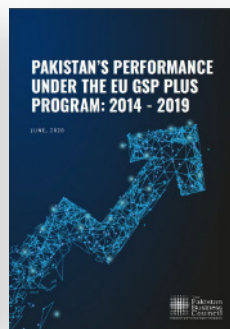
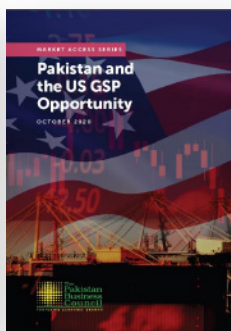
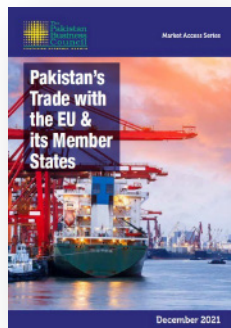


## SOUTH AMERICA



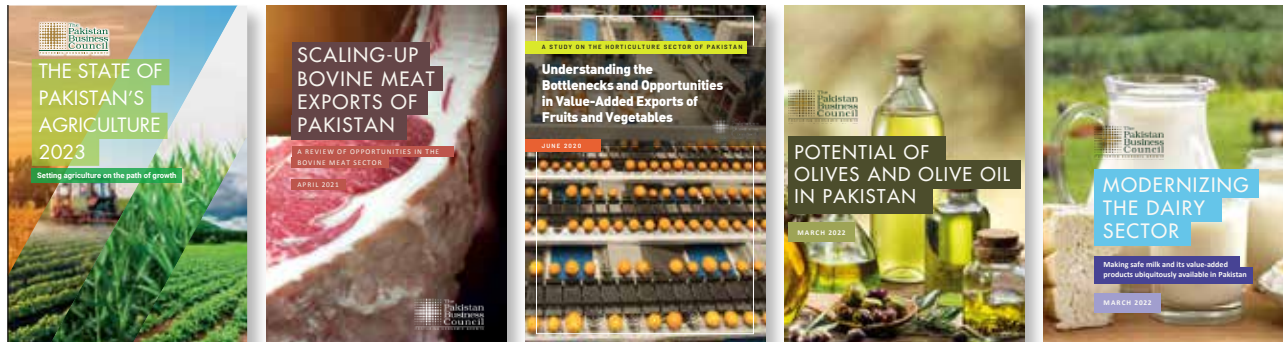


## FTAS/TRADE AGREEMENTS





## MAKE-IN-PAKISTAN SERIES – AGRICULTURE



## MAKE-IN-PAKISTAN SERIES – MANUFACTURING & SERVICES



## RECENT EXAMPLES OF THE PBC'S ADVOCACY ENGAGEMENTS

### **PBC'S DIALOGUE ON THE ECONOMY ISLAMABAD DEC 7-9 2021**

In addition to regular engagements with different stakeholders at various times, once a year PBC organizes a major event, usually in Islamabad, to present the totality of its advocacy in a holistic manner. This also provides members an opportunity to interact with multiple stakeholders. PBC's "Dialogue on the Economy – 2021" was held in Islamabad between the 7th and 9th of December and involved key government, diplomatic and multi-lateral decision-makers. It was attended by 70 participants from member companies and culminated with a meeting of the PBC Board with the Prime Minister. A synopsis of this is presented to give prospective members an idea of the width and depth of PBC's agenda.

#### Role of Planning

**Mr. Asad Umar, Federal Minister for Planning , Reforms and Special Initiatives**



#### **Key Take-outs from the Session:**

- Quality of planning has suffered with shift of role away from the Ministry of Planning. The Planning Commission is to be revived under a new head
- The Pakistan Bureau of Statistics is also to be restructured
- CPEC needs to change gears to attract private sector investment. SEZs are being expedited. PBC members should consider JVs

## "Geo-political developments: The Pakistan view"

**Dr. Moeed Yusuf, National Security Advisor**

### Key Take-outs from the Session:

- Economic security will be factored as the single most important determinant of national security in the strategy being developed. Regular interaction between PBC and the NSA would strengthen the security paradigm
- A stable Afghanistan is vital for Pakistan's security and for its trade with Central Asia. Pakistan's relations with the West are important and its close relationship with China should not deter. Perception needs improvement. Trade and investment are the best ways to do this.
- PBC can help

## "Geo-political developments: How the International Community views Pakistan"

**Panel: Angela Aggeler, US Charge d'affaires and Christian Turner, British High Commissioner**

### Key Take-outs from the Session:

- 60% of Pakistan's exports are to the US, UK and the EU. Hence even more important to maintain good relations with the West & the West still holds a larger percentage of Pakistan's FDI inventory
- Whilst the West understands Pakistan's need for CPEC, concerns cover debt and environmental impact.
- US is particularly keen to assist in agriculture
- PBC due to its mix of MNCs and local groups is an ideal counterpart for Western businesses

## "The Pakistan Economy"

**Panel Discussion moderated by Muhammad Aurangzeb**

**Panel: Murtaza Syed, Deputy Governor State Bank of Pakistan, Esther Perez Ruiz (IMF), Najj Benhassine (World Bank) & Mohammad Ali Tabba (Economic Advisory Council)**

### Key Take-outs from the Session:

- IMF's front-loaded targets exert a disproportional burden on existing taxpayers and honest consumers of energy.
- With imports neither high as % of GDP relative to Vietnam and Bangladesh, nor avoidable in the short to medium term, best for Pakistan to focus on exports. Export incentives are not targeted to growing sectors.
- The government lacks the capacity to implement reforms. PBC and others have provided the "why" and the "what" of the reforms but the "how" to implement is the missing piece.
- Investor confidence was hurt by the premature withdrawal of tax exemptions and the restoration of multiple levels of tax on inter-corporate dividends.



## "CPEC" & "CPEC 2"



**Ambassador Nong Rong of China – Khalid Mansoor, SAPM CPEC**

### Key Take-outs from the Session:

- First phase of CPEC nearing completion. Focus shifting to private sector investment
- Labour cost advantage vs. China is the main premise but productivity is a constraint
- FTA with China offers significant tariff advantage to locate industry in Pakistan
- Central Asia to be integrated into CPEC



## "Sustainable Growth"

**Presentation by Nazish Sheikha (PBC's CERB).**

**Panel Discussion moderated by Bashir Ali Mohammad**

**Panelists: Malik Amin, SAPM Climate Change, Sonia Becker, Foreign, Commonwealth and Development Office of UK, Faryal Sadiq (Interloop); Rizwan Diwan (Gatron)**

### Key Take-outs from the Session:

- People, Planet and Prosperity are all driven by Purpose.
- LT consequences of not doing right by the environment far exceed the costs of actions today.
- Imperative to unlock the unused female talent: PBC/ CERB/IFC Gender Diversity Awards to follow



## "Future of Growth"

**Panel discussion moderated by Farrukh Khan, MD PSX.**

**Panelists: Ehsan Saya (Daraz); Tania Aidrus (ex SAPM Digitization); Zouhair Khaliq (Teamup); Asif Peer (Systems Ltd); Faisal Aftab (Zayn Capital)**

### Key Take-outs from the Session:

- IT and IT-enabled exports are a supply opportunity, not a demand constraint --each \$1 Bn of IT exports requires 25,000 people; every \$1 Bn of call center business entails 50,000 people
- PBC's advocacy led to SBP facilitating funds flow
- Significant disruption expected in businesses of today



## "On trade"

**Abdul Razzak Dawood, Advisor to the PM on Commerce and Investment**

### Key Take-outs from the Session:

- Good progress on cascading tariffs. Now looking at reducing tariffs on finished products but need industry view
- Significant improvement in the FTA with China but industry needs capacity and capability to address this.
- Focus on Africa and Central Asia to diversify markets. New FTAs under consideration. PBC's advice requested.



## "Make-in-Pakistan"



**Panel Discussion moderated by Ehsan Malik**

**Panelists: Razzak Dawood, Advisor Commerce, Khusro Bakhtiar, Minister for Industries and Production; Azfar Ahsan Chairman Board of Investment; Arif Habib and Atif Bajwa**

### Key Take-outs from the Session:

- Despite progress, significant room remains to accelerate "Make-in-Pakistan"
- Challenge (and opportunity) to grow exports exponentially, Vietnam a model. Vietnam be emulated in market access and export-led FDI
- Export basket and destinations need broadening
- PBC least happy on energy tariffs and unpredictable fiscal policies including reversal of protection from multiple taxation of inter-corporate dividends and incentives to List.

## "Grow More"



**Panel discussion moderated by Samad Dawood.**

**Panelists: Syed Fakhr Imam, Minister for Food Security; Ali Khan of Pakistan Dairy Association; Abrar Hasan of Neymat Capital and Abdul Ghaffar of ICI Seeds Division**

### Key Take-outs from the Session:

- Considerable scope for higher milk & meat yields but formalization required to drive down cost, improve quality and create a level playing field vs. open milk
- Oilseeds and pulses need concerted focus.
- Private sector can help eliminate middle men: the red chili model

## "Key Note Speech by Shaukat Tareen, Finance Advisor"



### Key Take-outs from the Session:

- PBC is THE premier business body - government will look to it to bridge its capacity gaps.
- Industry to be revived through restructuring. Industrialization will be promoted through a Private Equity Fund
- IT and services export will receive enhanced focus

## Meeting of the PBC Board with the Prime Minister and his team



### Key Points Conveyed to the PM:

- PBC does not make demands. It advocates change through meaningful dialogue based on sound research.
- The PBC's "Dialogue on the Economy 2021" successfully engaged a wide range of ministers, diplomats and multilaterals.
- National security paradigm must give economic security the highest priority.
- Thanks to various stimuli and bumper crops, the economy is on a growth trajectory, rural and corporate sectors are doing well but inflation is hurting the urban lower middle class.
- Pakistan today has the best opportunity to grow exports of IT and IT-enabled services but this requires substantial investment in human resources.

### PM & Team's Response:



#### Mr. Shaukat Tareen

*"PBC is the country's premier business body and given its capabilities and resources, it will be the main "go-to" institution to help the government meet its capacity gaps. We have agreed with PBC to have offsite sessions on key measures to address the ease and cost of doing business."*



#### Mr. Hammad Azhar

*"This is the first time that a business body has come to you Mr. Prime Minister without demands. They are offering help which is most welcome. The point about energy cost is noted and this and intercorporate dividends must be taken up with the IMF at a suitable time."*



#### Mr. Khusro Bakhtiar

*"In replacement of TERF, the SBP should look at offering exchange rate cover on offshore borrowing to fund import of machinery."*



#### PM's Comments

*"I encourage wealth creation by the private sector because it fuels employment, exports, import substitution and generates tax revenues to invest in socio-economic development. I am delighted to see PBC's focus on Make-in-Pakistan. This is the only way we will regain our sovereignty. I am happy that PBC wants to support and my team wants to rely on its resources. Let's work in partnership for the good of the country. I look forward to regular interaction with you. Hopefully, our economy will stabilize and we will not have to make heavy compromises on growth in the future."*



## CENTER OF EXCELLENCE IN RESPONSIBLE BUSINESS

As Pakistan's premier business body composed of the largest and most successful businesses in the country, the PBC recognized in 2017 the need to share and spread the best practices on responsible business conduct. As an outreach initiative to grow and strengthen the formal sector, at the same time enhance PBC's credibility and relevance, the PBC established the Center of Excellence in Responsible Business (CERB).

PBC's CERB leverages global and local best practices to inculcate a change in mind-set among businesses including small and medium-sized enterprises. It also conducts awareness sessions and shares tools to uplift capacity and capability of businesses to meet the UN Sustainable Development Goals.

### CERB'S VISION

**To be a multi-sector business coalition assisting Pakistani enterprises to pursue sustainable value creation in the short, medium and long-term.**

### CERB'S MISSION

To engage with businesses and industry leaders and enable the transformation towards the conduct of responsible business in Pakistan.

To leverage private sector growth for inclusive development, poverty reduction and sustainability guided by the UN Sustainable Development Goals (SDG) framework.

CERB comprises of Online Research & Innovation Initiative and two inter-dependent business units.



## ONLINE RESEARCH AND INNOVATION INITIATIVE

This will be developed as an online research portal with a determined effort to integrate the business research community with industry to develop world class research to support CERB's strategic objectives outlined in its Mission.



## ETHICS, VALUES AND GOVERNANCE FORUM

This forum promotes responsible practices which strengthen the formal sector in pursuit of sustainable value creation.



## INCLUSIVE AND SUSTAINABLE DEVELOPMENT FORUM

This forum focuses on generating livelihoods, promoting women's empowerment and decoupling growth from its impact on the environment.

## CERB'S OUTCOMES

CERB aims to impact private sector to create wealth through the conduct of responsible business in a competitive global economy. It will assist businesses to maintain a competitive edge through high value research and dissemination of knowledge. It will use real time business knowledge and will turn it into sustainable competitive advantage for the private sector.

Since 2016, CERB has engaged 1000+ executives in webinars, 500+ in workshops, 700+ in events, 1000+ through social media also with 250 businesses. CERB partners the World Bank's IFC, the Global ACCA and the UNDP and has recently signed another MOU with the IFC on the Pakistan Investment Competitiveness Project to be run in collaboration with the Board of Investment. This project is funded by UK's FCDO.



## PBC'S COMMITTEES



### Taxation

**Ziad Bashir**

Gul Ahmed Textile Mills Limited  
Director



### Energy

**Ruhail Muhammad**

Lucky Power  
CEO



### Exports

**Ziad Bashir**

Gul Ahmed Textile Mills Limited  
Director



### Agriculture

**Abrar hasan**

National Foods Limited  
CEO



### ESG

**Amir Paracha**

Unilever Pakistan Limited  
CEO

## MEMBERSHIP CRITERIA

The PBC is neither a trade nor a representative body for a specific industry. It does not advocate sector and industry specific issues; instead, its advocacy thrust is on improving the general business environment of the country. Currently, there are two categories of membership open to companies:

**Executive Membership**, which is the primary category and **Associate Membership** which is presently limited to businesses in the knowledge, professional and emerging economy. The financial criterion, Joining Fee and Annual Membership Fee have been relaxed for Associate Members, recognizing that the main resources these deploy in their operations are human and intellectual capital rather than physical assets involving sizeable financial investment. Meeting the qualifying threshold, financial or other, for either category of membership is not a guarantee for acceptance; companies desirous of PBC membership need to indicate their interest and thereafter be invited to join the PBC. The ultimate decision on membership is of the Board and the reputation of the business and its sponsors carries the heaviest weight. The authorized representative of businesses admitted into membership is invariably the Chairman / President / CEO / MD / Country Head / Senior Partner etc., to retain a high quality of contribution to PBC's objectives. However functional heads may represent members on its various committees.

## EXECUTIVE MEMBERSHIP

Executive Members are private sector businesses registered and operating in Pakistan, with substantial investments and long-term commitment to the growth of the private sector. To ensure quality of membership, the qualifying threshold for this category has been kept high to maintain a sharp focus on medium to long term policies aimed at achieving sustainable growth. It is estimated that no more than approximately a hundred existing private sector businesses in the country can potentially qualify for PBC's Executive Membership. Already, over 90% of such businesses have recognized the value of PBC's role and have joined as Executive Members. In the last four years, the membership has doubled in numbers.

The current qualifying threshold for Executive Membership for a non-financial sector company is to meet two of four criteria: Rs. 1 Bn in either i) shareholders' funds, ii) net fixed assets or iii) current assets or iv) annual turnover of Rs. 5 Billion. Qualifying thresholds are for individual or group holding companies. Paid-up capital and fixed assets of commonly-owned companies outside a group structure

cannot be clubbed together for meeting the qualification criteria. Companies in the financial sector must meet the minimum capitalization levels and other criteria set by their regulators.

To further ensure participation of only serious businesses, the joining fee and the annual subscription fee for this category of membership have effective July 1, 2022 been kept at premium levels of Rs. 3 Million and Rs. 2.5 Million respectively. Half the joining fee is payable on admission, the balance on the following July 1. The annual fee is payable on each July 1, while companies joining during the year are required to pay the annual fee on a pro-rata basis.

Executive Members have voting rights and can nominate candidates to stand for election to the Board of Directors. Currently the Board comprises 14 elected directors. The 15th member is the CEO.

### **Affiliates**

Executive Members may upon payment of an additional annual fee of Rs. 500,000 propose group companies (as defined in generally accepted accounting principles) to be admitted as Affiliates. Affiliates do not enjoy voting rights reserved for Executive Members.

## **ASSOCIATE MEMBERSHIP**

In opening the membership to the knowledge/emerging economy and professional services, the PBC recognizes the need to include these rapidly growing sectors in its research and advocacy. However, such businesses which meet the financial criterion for Executive Membership will not qualify for admission as an Associate Membership. Furthermore, businesses admitted as Associate Members would be required to pay the differential of fee when they grow in size to qualify for Executive Membership.

The new category of Associate Membership is open to businesses in the knowledge/emerging economy which presently are unable to meet the financial criteria for Executive Membership. The Shareholders' Funds and Fixed Assets criterion have been removed. Instead, to qualify for application as an Associate Member, a business must either belong to the IT or IT-enabled services sector, Venture Capital or be a provider of professional services, such as legal, accounting and consulting. The size threshold is as follows:

	IT/IT-Enabled Services	Venture Capital Funds	Professional Services
<b>Annual Turnover</b>	N/A	N/A	Rs. 1 Bn
<b>Sales generated through portal/call-centre/back office</b>	Rs. 5 Billion per annum	N/A	N/A
<b>Employees on own payroll</b>	50	N/A	60 for Law firms 150 for all other services
<b>Indirect Employees (for digital intermediaries e.g. "Captains" for Uber)</b>	5,000	N/A	N/A
<b>Annual Payroll Cost</b>	Rs. 100 Mn	N/A	Rs. 300 Mn
<b>Years Established/Operating in Pakistan</b>	3	1	10
<b>Evidence of tax filing</b>	Yes	Yes	Yes
<b>Funds under management</b>	N/A	US\$ 5 Mn	N/A

The Joining and Annual Fee for Associate Membership is also set at a reduced rate of Rs. 500,000 each. Annual Fee is prorated in the year of joining. Joining Fee is payable on application.

Associate Members do not have the right to vote or nominate candidates for election to the Board of Directors.

## PBC'S DIRECTORS



**Shabbir Diwan**

**Chairman PBC**  
**Gatron (Industries) Limited**  
**Director**



**Syed Hyder Ali**

**Director PBC**  
**Packages Limited**  
**CEO**



**Dr. Zeelaf Munir**

**Vice Chairman PBC**  
**English Biscuit Manufacturers (Pvt) Ltd.**  
**MD & CEO**



**Syed Yawar Ali**

**Director PBC**  
**Nestlé Pakistan Limited**  
**Chairman**



**Abdul Samad Dawood**

**Director PBC**  
**Engro Corporation Limited**  
**Director**



**Taimur Dawood**

**Director PBC**  
**Descon Engineering Limited**  
**Chairman**



**Abrar Hasan**

**Director PBC**  
**National Foods Limited**  
**CEO**



**Yousaf Hussain**

**Director PBC**  
**Faysal Bank Limited**  
**President & CEO**



**Arif Habib**

**Director PBC**  
**PakArab Fertilizer Limited**  
**Chairman**



**Muhammad Aurangzeb**

**Director PBC**  
**HBL**  
**President & Chief Executive Officer**



**Kamal A. Chinoy**

**Director PBC**  
**International Industries Limited**  
**Director**



**Ziad Bashir**

**Director PBC**  
**Gul Ahmed Textile Mills Limited**  
**Director**



**Muhammad Ali Tabba**

**Director PBC**  
**Lucky Cement Limited**  
**Chief Executive**



**Ehsan Malik**

**CEO**  
**Pakistan Business Council**



**Muhammad Habib**

**Director PBC**  
**Indus Motor Co. Ltd. (House of Habib)**  
**Director**



## PAST CHAIRMEN



**Razak Dawood**  
Then Chairman Descon



**Asad Umar**  
Then CEO Engro Corp



**Ali Habib**  
Then Chairman Indus Motors



**Sikander Mustafa Khan**  
Then CEO Millat Tractors



**Bashir Ali Mohammad**  
Then Chairman Gul Ahmed Textiles



**Atif Bajwa**  
Then President Bank Alfalah



**Mohammad Ali Tabba**  
Then CEO Lucky Cement



**Syed Yawar Ali**  
Then Chairman Nestle Pakistan



**Saquib Shirazi**  
Then MD Atlas Honda



**Muhammad Aurangzeb**  
Then President & Chief Executive  
Officer HBL

## ABOUT THE PBC

The PBC is a private sector business policy advocacy forum composed of Pakistan's largest businesses / groups including multinationals that have a significant investment in and a long-term commitment to the growth of Pakistan. Members turnover represents every ninth Rupee of Pakistan's GDP and together the members contribute 33% of tax revenues and 40% of exports. More information about the PBC, its members and its activities can be found on our website [www.pbc.org.pk](http://www.pbc.org.pk)

## PBC MEMBER COMPANIES





## THE PBC AFFILIATES



## THE PBC MEMBERS AND ITS AFFILIATES BY SECTOR

PBC currently has 96 members 6 affiliates whose businesses cover nearly all sectors of the formal economy.

The sector wise representation (in alphabetical order) is detailed below:

Sector	Member & Affiliate Companies
<b>Large-Scale Manufacturing</b>	
Agro Industries	2
Cement	2
Chemicals / Fertilizer	11
Energy	2
Engineering	13
Fast Moving Consumer Goods	18
Packaging Material	3
Pharmaceuticals and Healthcare	7
Sports Gear	1
Textiles	12
<b>Total Members in Large-Scale Manufacturing</b>	<b>71</b>
<b>Services</b>	
E-Commerce	1
Financial service	12
Hospitality	1
Insurance	3
Logistics / Courier	2
Real Estate Developers	1
Software	3
Telecommunication	2
Utilities	1
<b>Total Members in the Services Sector</b>	<b>26</b>
<b>Conglomerates</b>	<b>5</b>



## 34 MNC'S FROM 14 COUNTRIES



USA



CHUBB®



UK



UAE



EMAAR



Switzerland



Japan



## 34 MNC'S FROM 14 COUNTRIES



**Netherlands**



**France**



**Bahrain**



**South Korea**



**Hong Kong**



**Germany**



**China**



**Sweden**



**Turkey**





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**[www.pbc.org.pk](http://www.pbc.org.pk)**