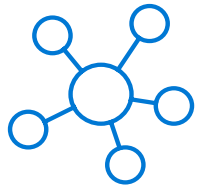


# PAKISTAN: THE MOST AFFORDABLE COUNTRY FOR IT & ITES BUSINESS

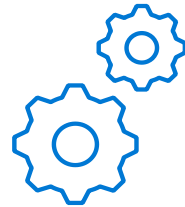


# Why IT needs to be a priority



Pakistan is the most affordable country for IT businesses.

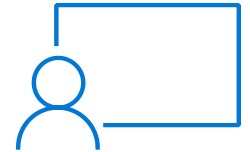
*Source: World Economic Forum*



IT requires minimal investment to setup. In turn it generates **2x–6x** more revenue per head count as compared to a textile worker



Immense potential to generate exports and create more jobs – **500M** additional revenue can generate approx. **25,000** Jobs per annum

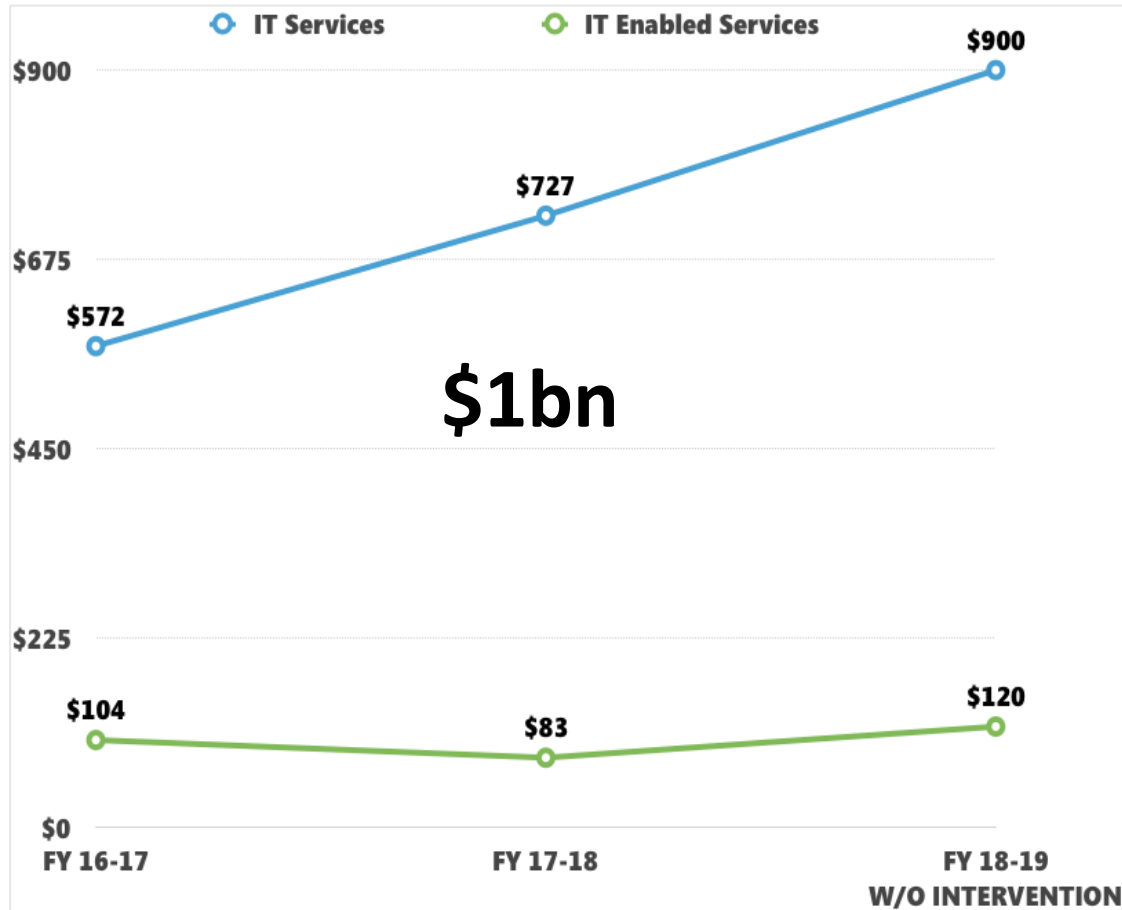


IT & ITES industry employs more women i.e. **> 26%** which is higher than other industries

Philippines generates more than \$28Bn in IT & ITES export, which is higher than Pakistan's entire exports.

# Current Situation – IT Exports

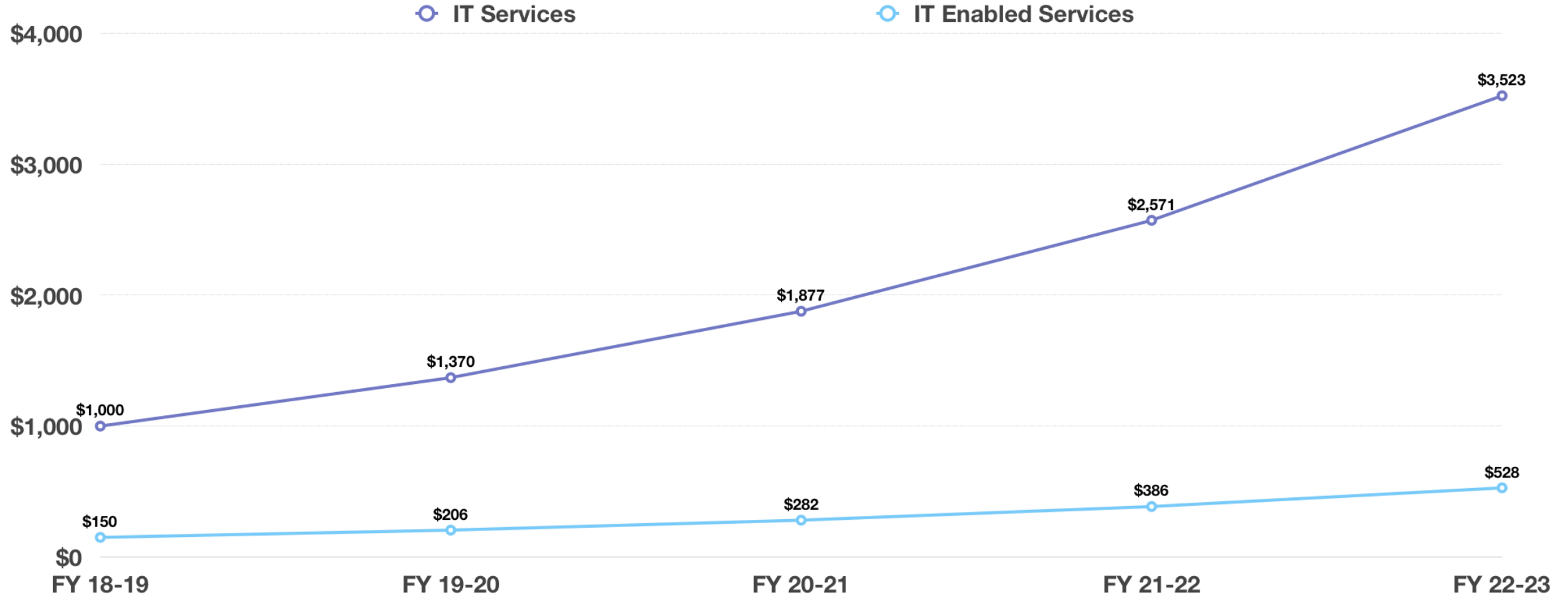
## Source SBP – Export proceeds



### Informal statistics from the industry sources:

- SBP statistics on the export proceeds only include the remittances sent through the official channel by mainstream companies in the IT and ITES industry
- Additional remittances sent through other channels by freelancers, small firms and IT & ITES professionals are estimated to be in the range of approx. \$2-3bn
- There is a dire need for the inclusion of the freelancers and IT & ITES companies in the official export to reflect correct statistics

# Future State – IT Exports



*at \$4 Bn, IT Industry would be ranked as the 2nd highest export after Textiles, ahead of Leather and Rice.*

# Key measures for helping IT & ITES

Opportunities	Industry Responsibility	Support Required from GoP
Enhance Export Remittances	Align and facilitate export documentation	Encourage companies to remit through SBP
GoP Digital Transformation	Let the industry develop and execute	Identify problems, leadership & governance
Develop the domestic IT industry	Encourage freelances and ITES companies to join formal sector and help in building scale	Minimum tax on domestic industry shall be removed. SBP to offer one window solution
Human Development	Promote collaboration industry + academia	Invest in training programs to build capacity
International Partnerships	Brand Pakistan as preferred destination for IT	Articulate IT&ITES in 'why Pakistan narrative'
Appoint IT Ambassadors	IT Ambassadors in 10-15 major markets	to promote PK brand and facilitate exports

# Key measures for helping IT & ITES

Opportunities	Industry Responsibility	Support Required from GoP
Special Economic Zones (SEZs)	Align industry and academia	Invest in SEZs to market and brand Pakistan
Zero-rating of exports	Some provinces levy GST on ITES exports	Provincial taxation on ITES shall be removed
Provision of working capital	Present business case to SBP/GoP	Allow lending against the intangible assets
Public-Private Partnership	Industry to provide inputs and oversight	Initiatives in one structure to bridge silos
Establish eCommerce framework	Facilitate in establishing a framework	Ownership to be clarified - Commerce vs IT

**IT industry has the potential to shape the future of Pakistan.**

Let's recognize IT & ITES as the **top 5** priority industry, and help it flourish and let it contribute to Pakistan's growth.

# THANK YOU!

