

PBC ACTIVITY REPORT

January to March 2021

This report summarizes the activities of the Pakistan Business Council (PBC) for the period January 1, 2021 to March 31, 2021.

MAJOR ACTIVITIES DURING THE QUARTER

The PBC's public activities in the Quarter under review were once again influenced by the resurgence of the Covid-19 pandemic. The PBC continued its advocacy using a mixture of online and physical interactions. PBC's major activities during the Quarter are summarized below:



PBC Session with Mr. Abdul Razak Dawood Adviser to the PM on Commerce & Investment:

The PBC hosted a physical session with Mr. Abdul Razak Dawood, Adviser to the Prime Minister on Commerce & investment in March. At the meeting the members voiced their concerns on a number of issues related to the Commerce Ministry including a decline in domestic cotton production, trade diplomacy in general and market access to the EU post ending of GSP Plus in 2024 in particular, availability of power and gas at regionally competitive rates, Special Economic Zones, promotion of non-traditional exports etc.



PBC Webinar with Pakistan's Ambassador to the USA Dr. Asad Majeed Khan

The PBC hosted a webinar with Pakistan's Ambassador to the USA and key members of his economic team in Washington in early March. The purpose of the meeting was to get an assessment from the Embassy on the likely direction of US – Pakistan relations especially on trade under the Biden Administration. The Ambassador elucidated the Embassy's view that there would likely be no change in the US's approach on trade with Pakistan and that Pakistan needs to tap into the US GSP opportunity if it wants to increase exports.



PBC's engagement with FBR's Technical Committee headed by Mr. Abid Shaban

At the request of Mr. Abid Shaban head of the FBR's Technical Committee, the PBC engaged with the Technical Committee in February. The PBC had a candid discussion with Mr. Shaban on the need for a long-term and consistent tax policy. Some discrepancies and deficiencies in the tax laws which had come about due to frequent changes in specific provisions were also pointed out by the PBC members and Mr. Shaban promised to address these.



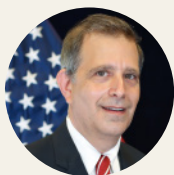
PBC Virtual Session with the Chairman SECP & his Team

Towards the end of March the PBC's Legal & Tax Committees had a virtual meeting with the Chairman SECP & his team on the various initiatives being undertaken by the SECP to improve the business climate in the country. The PBC members stressed on the need to have a working group formed by the SECP comprising all stakeholders before making any changes in the regulatory framework. The SECP assured support on certain sections of the Company Act 2017, however, it also pointed out the changes can only be legislated through Parliament where the SECP would support the PBC's stand.



PBC Webinar on PBC's Sector Study on Horticulture

PBC hosted the second of its series of webinars on the topic in February, with a focus on the Punjab province. The webinar engaged the Government of Punjab and the private sector in a policy discussion for improving value-addition and exports of horticulture. Specific policy actions required at the provincial level were identified to address the bottlenecks and foster value addition and export of fruits and vegetables.



PBC Virtual Session with Mr. Rob Silberstein, the US Consul General in Karachi

The PBC directors had a virtual session with Mr. Rob Silberstein the US Consul General in Karachi at which the PBC directors shared their views on the economy and US Pakistan relations, especially on trade.



Virtual Session with the WBG on the World Bank Country Partnership Framework (CPF) for Pakistan

The World Bank Group (WBG) is in the process of preparing a new Country Partnership Framework (CPF) for Pakistan that will outline its strategic support in the country for the period 2022-2026. The WBG held a virtual consultation with the Pakistan Business Council to discuss its upcoming Country Partnership Framework 2022-2026. The PBC identified agriculture as one of its major priority areas, ease of doing business connectivity, digital financial inclusion, and solid waste management. Raising investment, facilitating public-private partnerships (PPPs), implementation of green policies, and streamlining of the taxation regime to expand the listed sector were also discussed.



Visit of Dr. Ishrat Husain to the PBC

Dr. Ishrat Husain, Advisor to the Prime Minister on Institutional Reforms and Austerity visited the PBC in February to brief the PBC management on the status of the reforms being carried out by the present government. He reiterated the commitment of the government to reduce the size of the civil service while at the same time making it responsive to the needs of the people.



Mr. Fernando María Girón Pascual Deputy Head of the Embassy of Spain visits the PBC

Mr. Fernando María Girón Pascual, Deputy Head of the Embassy of Spain in Pakistan called on the PBC management in February. The PBC made a detailed presentation to Mr. Pascual on bilateral trade between Pakistan and Spain and stressed on him the need for continuation of the GSP Plus beyond December 2023.



Visit of Consul General of Germany, Mr. Holger ZIEGLER to the PBC

The Consul General of Germany, Mr. Holger Ziegeler visited the PBC in February for an exchange of views on promoting bilateral trade between the two countries. The PBC made a presentation on the state of the economy and bilateral trade between the two countries.



Regulatory Changes by the State Bank of Pakistan as a Result of PBC's Advocacy

As result of PBC's advocacy efforts, the following were agreed to and implemented by the State Bank of Pakistan:

- Expansion of the purposes for which exporters' FX retention accounts can be used to promote exports
- Permission for exporters to invest in/acquire subsidiaries and establish representative offices abroad
- Framework for establishing holding companies abroad
- Permission for banks to lend against the collateral of listed subsidiaries



PBC Zoom Meeting with Mr. Muhammad Farooque TIC in Kazakhstan

As part of its Central Asia Market Access Series, the PBC held a Zoom Meeting with Mr. Muhammad Farooque, Pakistan's Trade & Investment Counselor in Kazakhstan. The purpose of the session was to better understand the opportunities and challenges faced by Pakistani exporters to Kazakhstan.



PBC Presentation at the FPCCI's Webinar on "Trade and Investment Opportunities between Pakistan and Turkey"

The PBC presented its findings on the prospects of a Pakistan Turkey FTA at the FPCCI's webinar held in January and defended its findings opposing the signing of the FTA.



Signing of PBC - Engineering Development Board (EDB) MOU

In January, the PBC and the EDB signed an MOU to promote the development of the Engineering Sector in Pakistan. The MOU was signed by the PBC Chairman Mr. Saquib Shirazi while from the EDB side the MOU was signed by Mr. Almas Hyder, Chairman EDB.



Webinar on Investment Opportunities in Pakistan

PBC participated in a webinar organized by Schlüter Graf on 'Investment Opportunities in Pakistan: A Look at One of the Most Attractive Destinations for Foreign Investors' which was held on 1st March, 2021. PBC discussed how Pakistan is reforming its FDI regime to attract foreign investors by enabling ease of doing business, establishing Special Economic Zones and offering investment incentives.



Pakistan Regulatory Modernization Initiative (PRMI)

As part of PBC's ongoing support to the Board of Investment (BOI) in implementing the Pakistan Regulatory Modernization Initiative (PRMI), PBC helped organize a Public-Private Dialogue meeting between the Ministry of National Food Security and Research (MNSFR), the Department of Plant Protection (DPP), BOI and the tea industry.



Harmonization of Food Standards

PBC continued to spearhead the industry's perspective on harmonizing food standards. The process of harmonizing the food standards under the auspices of PSQCA is well underway. To break the impasse between the Federal & provincial governments, the PBC has suggested to develop a central one-window portal which will streamline the process of registering food products without disturbing the jurisdictional sensitivities of the provinces.



Update on the Counter-Illicit Trade (CIT) Committee

An initial proposal has been submitted by IPSOS a marketing research firm to estimate the impact of illicit trade on government revenues. The proposal is currently being evaluated by the Counter-Illicit Trade Committee. Meetings were also organized to understand the challenges of intellectual property of seeds and the grey production of cigarettes.



Update – PBC EDB Sector Studies

The PBC & EDB are at the moment collaborating on two sector studies, a) Surgical Instruments & b) Fan industry. Field work has been completed for both sector studies and analysis is currently being done to come up with the recommendations.



Update – Collaborative Research with CDPR on Export Potential of Pakistan's Pharma Sector










The Draft Final Report on the Pharma Sector has been received and is currently under review at the PBC.



Update – Study on Impact of Afghan Transit Trade on Domestic Industry - PIDE

The contract for the Study has been signed with the Pakistan Institute of Development Economics (PIDE) and the report is expected to be finalized in the Fourth Quarter.

CEO'S ACTIVITIES TO PROMOTE THE PBC'S AGENDA

	<p>SBP</p> <p>Meeting with the Governor State Bank of Pakistan on digitization of the FX process</p>
	<p>PJBF</p> <p>Pakistan Japan Business Forum annual dinner and meeting with the Japanese Ambassador</p>
	<p>US Consul General</p> <p>Meeting with the US Consul General Karachi and the US Economics Team from Islamabad</p>
	<p>Pakistan and the US</p> <p>US Pakistan Track 1.5 talks representing trade and investment opportunities</p>
	<p>CNFA</p> <p>Discussion on possible collaboration with the “Cultivating New Frontiers in Agriculture”</p>
	<p>The Economist</p> <p>Webinar: “Rising Star: Vietnam’s role in shifting supply chains in Asia”</p> <p>Webinar: “Exploring the next 4 years under the Biden Administration”</p>
	<p>PIDE</p> <p>Regionally Competitive Energy Tariffs</p>
	<p>British Asian Trust/Standard Chartered Bank</p> <p>Webinar on women agricultural entrepreneurs</p>
	<p>British Trade Mission</p> <p>Virtual session on UK’s participation in Pakistan’s Infrastructure Investment</p>

BOARD & COMMITTEE MEETINGS

The 40th PBC Audit Committee meeting was held during the Quarter at which the Audit Committee reviewed the Half-Yearly Accounts for the period ended December 31st, 2020 and recommended their adoption by the Board.

The 78th Meeting of the PBC Board was also held during the Quarter at which among other matters the Board approved the Half-Yearly Accounts for the period ended December 31, 2020. The Board also approved changes in the Articles of Association of the PBC.

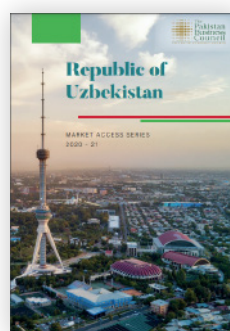
PUBLICATIONS DURING THE QUARTER

During the Quarter a total of Four (4) publications was released by the PBC bringing the total number of publications released during the year to Fourteen (14).



A perspective on FDI from China

<https://www.pbc.org.pk/wp-content/uploads/Perspective-on-FDI-from-China.pdf>



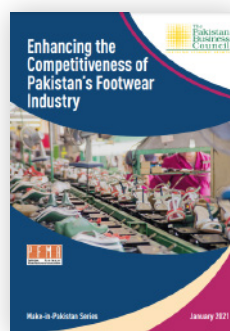
Market Access Series – The Republic of Uzbekistan

<https://www.pbc.org.pk/research/market-access-series-2020-21-the-republic-of-uzbekistan/>



Market Access Series – The Republic of South Africa

<https://www.pbc.org.pk/research/market-access-series-2020-21-the-republic-of-south-africa/>



Enhancing the Competitiveness of Pakistan's Footwear Industry

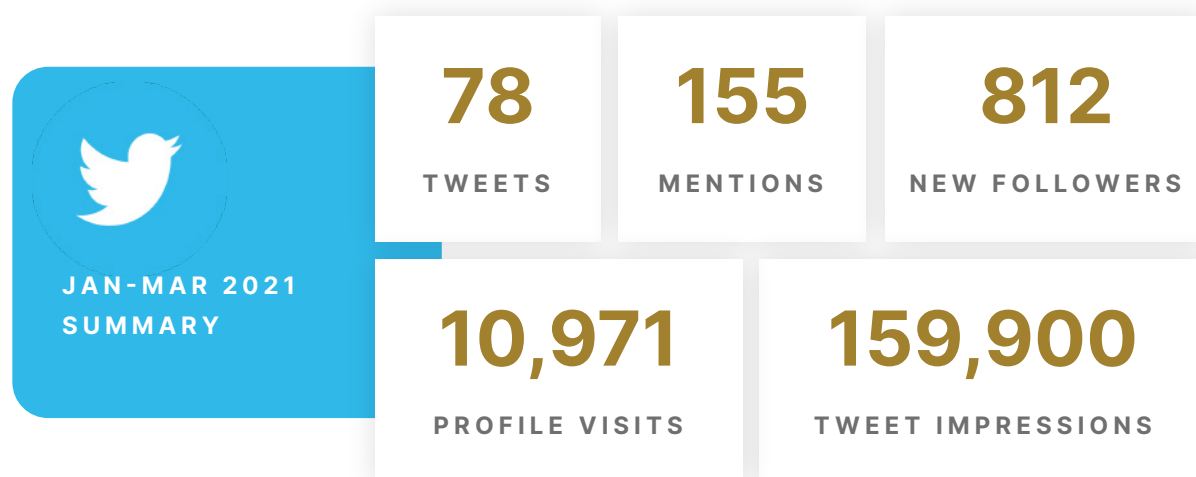
<https://www.pbc.org.pk/research/enhancing-the-competitiveness-of-pakistans-footwear-industry/>

NEW PBC MEMBERS DURING THE QUARTER



During the Quarter, Archroma Pakistan joined the PBC as its 86th Member.

TWITTER HIGHLIGHTS



ACTIVITIES OF THE CENTRE FOR EXCELLENCE IN RESPONSIBLE BUSINESS (CERB)

JANUARY - MARCH 2021



AWARENESS

CERB has launched a new website! [Click here](#) to access the publications, check past and upcoming events, browse through recorded webinars, and more.

CERB and PBC partnered with PSX, Women on Boards, and PICG for the 3rd year running in the 'Ring the Bell Ceremony' at PSX on International Women's Day.

CERB presented and participated in '**Be Kind to Your Mind**, Strategies for Coping with Stress During the Pandemic', a webinar on workplace practices and policies to future graduates, hosted by LUMS Centre for Business and Society on February 17. This is aligned with the current importance being given to workplace wellbeing and SDG 3.



IDENTIFYING GOOD PRACTICES

IFC-PBC Virtual Launch

As part of the IFC PBC Family Friendly Workplaces Project, CERB and IFC held a virtual launch of two reports on 'Landscape Analysis of FFP in the private sector in Pakistan' and 'Peer-Learning Collaboration' on March 16, comprising of 80 participants, with speakers from EBM, Infrazamin, Atlas Group, UNICEF and High Commission of Canada to Pakistan. A social media campaign featuring companies from the Peer Learning Collaboration: Artistic Milliners, EBM, Interloop Limited, HBL, SCB, Telenor Pakistan.

Baseline Survey

CERB will be launching a baseline survey in April 2021 on 'Understanding the Impacts of COVID-19 on Responsible Business Practices through an ESG Lens' to PBC members only.



IMPARTING BEST PRACTICES

Webinar

In collaboration with our SDG 4 leader, Engro Corporation, CERB hosted a webinar on 'Creating Shared Value - An Inclusive Approach to Business' on March 25 as part of the SDG Leadership Programme. The webinar was attended by 25 participants and focused heavily on how the private sector, through inclusive and sustainable business practices can drive social progress in the communities they operate in and also increase corporate profits. The webinar also featured panelists from National Foods Limited and Entrepreneurship and Community Development Institute, ECDI.

Workshop

CERB hosted a workshop on SDG 13 “Climate Action” with SDG leader, Packages Limited, titled “Carbon Footprint Training” on January 25 and 26. The modules covered building capacity for calculating Greenhouse gas emissions (GHG), developing GHG inventory, and reporting and verification according to ISO standards. The workshop was attended by 25 participants and facilitated by SGS Pakistan.



POLICY ADVOCACY

CERB was invited by SBP to participate and give comments on the 3rd Consultative Session on Banking on Equity Policy- Focus Group Discussion.

CERB participated as a panelist in a webinar on “The Path to SDG5.5: Women and Leadership” hosted by the Sindh SDGs Support Unit on March 18. This was a Sindh provincial conversation to commemorate International Women’s Day.

CERB participated in a panel discussion on the challenges faced when implementing family-friendly policies at the UN South Asia Forum on Business and Human Rights on March 18.



IN PROGRESS

The SDG Leaders Programme, launched at the PBC's Pakistan Economic Forum V in Islamabad on Dec 13, 2018 has completed more than two years. The following PBC member companies have come forward as champions of the SDGs till date:



Dalda Foods and English Biscuits Manufacturers, SDG 3 'Good Health and Well-Being'



Indus Motor Company, SDG 8 'Decent Work and Economic Growth'



Engro Corporation, SDG 4 'Quality Education for all'



Soorty Enterprises, SDG 9 'Industry, Innovation and Infrastructure'



Habib Bank Limited, SDG 5 'Gender Equality'



ICI Pakistan, SDG 12 'Responsible Consumption and Production'



Coca-Cola Pakistan, SDG 6 'Clean Water and Sanitation'



Packages Limited, SDG 13 'Climate Action'



International Industries Limited, SDG 7 'Affordable and Clean Energy'

Case Studies

Two case studies are in progress: 'Corporate Values' with English Biscuits Manufacturers' and 'achieving prosperity and sustainability through a winning culture' with Interloop Limited.

Upcoming Events: (all dates are tentative in view of the prevailing situation with respect to COVID)

- 2 day workshop on 'Introduction to GHG Accounting'
- Webinar with Dalda Foods Ltd
- Webinar on 'Increasing women participation in the value chain'

THE OUTCOMES/PRODUCTS OF CERB

Forum Subscriptions:

Companies become subscribers to avail opportunities for networking and collaboration, knowledge and research, recognition and actionable insights to identify opportunities promote towards sustainable value creation.

Practitioner Workshops:

Workshops planned to develop the discussions from key findings and recommendations from Baseline surveys on good practices among PBC member and other companies, benchmarking them against global practices.

Expert Webinars:

Experts are identified from professional network group to identify how to continue contributing to business objectives, increasing market share, engaging employees and enhancing reputation.

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 25% 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





THE PBC MEMBERS BY SECTOR

PBC currently has 86 members, whose businesses cover nearly all sectors of the formal economy. The sector wise representation (in alphabetical order) is detailed below:

Sector	Member Companies
Large-Scale Manufacturing	
Agro Industries	1
Cement	2
Chemicals / Fertilizer	10
Energy	2
Engineering	9
Fast Moving Consumer Goods	18
Packaging Material	2
Pharmaceuticals and Healthcare	6
Sports Gear	1
Textiles	10
Total Members in Large-Scale Manufacturing	61
Services	
Financial service	12
Hospitality	1
Insurance	2
Logistics / Courier	2
Telecommunication	2
Utilities	1
Total Members in the Services Sector	20
Conglomerates	5

32 MNC'S FROM 13 COUNTRIES



USA



UK



UAE



Switzerland



Japan



32 MNC'S FROM 13 COUNTRIES



Netherlands



France



Bahrain



South Korea



Hong Kong



Germany



Sweden



Turkey



8th Floor, Dawood Center,
M.T. Khan Road,
Karachi, Pakistan

T - +92 21 3563 0528 - 29

F - +92 21 3563 0530

www.pbc.org.pk