

# TRADE CHRONICLE

PAKISTAN'S OLDEST MONTHLY MAGAZINE OF COMMERCE, TRADE, INDUSTRY & PUBLIC AFFAIRS



## The 8<sup>th</sup> Pakistan mega leather show

Chief Executive Officer of Trade Development Authority of Pakistan (TDAP)  
Muhammad Zubair Motiwala and stakeholders of the leather and footwear industry  
cut the ribbon to inaugurate the 8th PMLS-2023 in the Lahore expo centre



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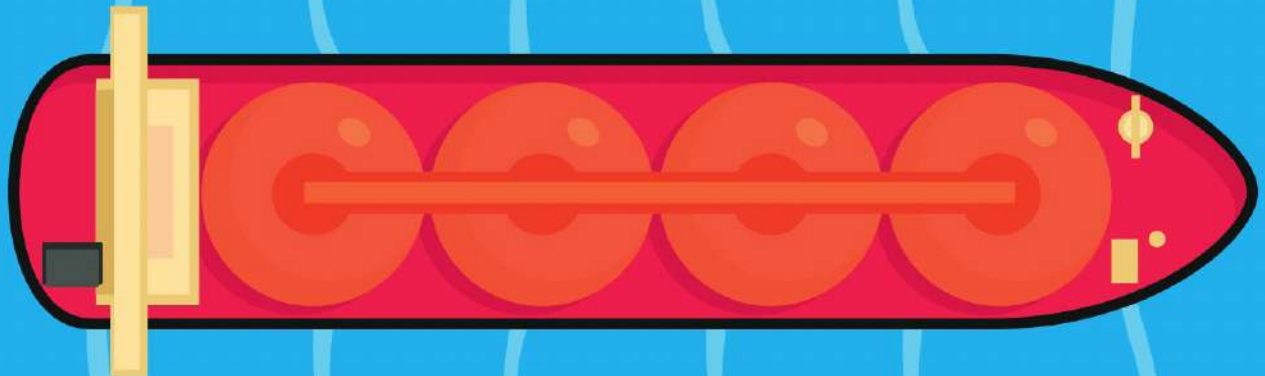
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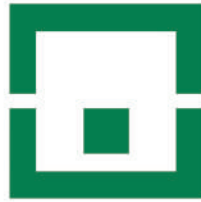
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Trade Chronicle

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— We begin with the name of Allah the Magnificent —

### Doubts IMF pleased in disguise of inflation

Pakistan's economy is currently undergoing a fragile phase, tainted by the global recessionary outlook and domestic economic challenges amidst an unfavourable political backdrop. Pakistani masses are passing through extraordinarily miserable daily life due to the upward trajectory of inflation. Pakistan's manufacturing sector is also surfing a rough ride, as dozens of companies have already announced a temporary shutdown or rolling back of operations. Since December alone, at least 14 PSX-listed companies have announced scaling back or shutting down operations citing varying reasons, including an inability to obtain Letters of Credit (LCs), supply chain disruptions, inventory shortages, drop in demand and energy shortages.

Pakistan saw backlog of container at ports recently. The government's efforts to get some concession on demurrage from foreign shipping companies could not bode well. Yet, Pakistan Shipping Industry stated that about 70% to 80% of containers out of 8500 plus were cleared from private terminals of Karachi Port and Port Qasim in the country following payment of demurrages, court orders and some government concessions at the end of February. The containers started stockpiling in the private container terminals of Pakistan following the State bank of Pakistan's restriction to open letters of credit against imports due to the shortage of dollars in the middle of last year.

Still, some containers are stuck at ports for want of clearance, and some importers have abandoned them due to high demurrage and other charges. Furthermore, the non-opening of LCs by local banks caused the huge piling of containers at Pakistani ports.

A brokerage house taking stock of the situation painted a grim picture of Pakistan's economic growth this fiscal year, with floods only adding to the bleak outlook.

Meanwhile, the incumbent government has passed a Bill in the Parliament to raise additional revenue of PKR 170 bn. This was another prerequisite of the IMF against the already met demands of the market-based Pak Rupee, gas price hike, and timely pass-through in domestic fuel prices. The IMF program is currently stalled at the level of the ninth review, with experts suggesting that Pakistan is reluctant to implement some of the lender's tough conditions over their effect on political capital in a year when elections are scheduled to take place. But Islamabad has no choice but to agree to it and accepts all conditions in letter and spirit; we believe that given the fast-depleting foreign reserves, Islamabad cannot further delay the completion of IMF talks. However, to date (Feb 28), an instalment of US\$1.1 billion from IMF as loans from a \$6.5 billion bailout had been designed to ward off an economic meltdown in 2019 is yet to materialise.

The experts believe that in a mini-budget just before the next budget of FY24 has been proposed to increase the GST by 1 to 18, hike FED on cement, tobacco, aerated drinks, sugary drinks, and business class air travel, and impose WHT on marriage halls. Although these measures appear inflationary in the short term, the government has also augmented allocation under BISP to PKR 400 bn (+PKR 40 bn) to shield the vulnerable class. Moreover, daily use items, including wheat, rice, milk, pulses and meat, must be exempted from the increase in GST.

The mini-budget was insufficient to please the IMF, and the State Bank of Pakistan will likely increase interest rates from 17% to 19 % in early March. We feared that any further rise would negatively impact the financing option for the industries. We second the expert's expectation that the National Consumer Price Index (NCPI) remain higher as the government may announce further upward adjustments in electricity, tariffs to reduce circular debt and subsidies to fulfil IMF commitments that may fuel the inflation further, at the same time, in the coming months. Recall that global and domestic inflationary pressures rapidly materialised into the acceleration of the CPI as the headline inflation continues to remain double-digit since Nov '21. The average inflation for 7MFY23 clocked in at 25.4% compared to 10.26% in 7MFY22. This phenomenon of higher headline inflation is likely to continue in the near term, with pressure mainly emanating from further tariff hikes, weaker currency against the greenback and a surge in food prices.

*From the  
editor's  
desk*



*Abdul Rab Siddiqi*

ABDUL RAB SIDDIQI

***Editorial Comments***

**K3 Nuclear Power Plant adds to the national grid**

**T**he K3 (3rd Unit) Nuclear Power Plant was inaugurated in Feb in Karachi, another milestone towards clean and green energy and eliminating load shedding in the country. K3 will produce 1,100 Megawatts of electricity and provide it to the City of Karachi. In contrast, K-2 Nuclear Power Plant started commercial operation on May 21, 2021.

In the vicinity of KANUPP in Karachi, construction work on two nuclear power reactors, i.e., K-2 and K-3, was started in August 2015 and May 2016,

**The PMLS ends successfully**

The 8th Pakistan Mega Leather Show was consecutively held from 1st – 3rd February 2023, jointly successfully organised by the Pakistan Tanners Association, Pakistan Footwear Manufacturers Association and other stakeholders of the Leather Sector of Pakistan, such as Leather Garments and Leather Gloves associations.

However, PFMA played a vital role in organising events with the support of the PTA, other stakeholders, and TDAP.

The fair provided one roof for the exposition of the finest quality of Finished Leather of all sorts, i.e. Goat/Sheep Skins, Cow/Buff Hides, Leather Footwear, Leather Garments, Leather Gloves and other Leather Products/made-ups with allied Industries of Tanning Chemicals, Tanning & Footwear machinery under one roof. M. Zubair Motiwala, Chief Executive, TDAP, was the chief guest of the inaugural ceremony of 8th PMLS-2023.

The 8th PMLS aimed to portray and improve Pakistan's positive

respectively. These units are based on the Chinese ACP1000 design, a Generation-III version of the PWR nuclear reactor technology.

In this design, apart from other features, safety is significantly enhanced by using passive safety systems (no need for human action or input power for operation).

Pakistan has nuclear power installed capacity of 3530 MW which may reach 6830 MW in the next couple of years and 8800 MW by 2030, according to PAEC.

The nuclear power generation capacity factors stay around

image to the world's business community, motivate leather business entrepreneurs for business growth, and enhance investors' confidence in Pakistan's business market.

It was heartening to note that Muhammad Mehr Ali, Chairman, PTA informed the Press that many foreign participants from Turkey, Italy, Spain, Germany, Portugal, Hong Kong, Cyprus, USA, UAE, China, Iran and Tunisia and many other countries have participated in PMLS-2023 and good orders have been booked.

Italian footwear machine manufacturers have shown keen interest in technology transfer in Pakistan and established industry for this purpose.

Furthermore, two technical workshops were organised for the industry with Italian industry experts. First-time Expo Riva Schuh, Riva Del Garda, Italy, the world's largest shoe expo delegation led by its Chairman/CEO Roberto Pellegrini, attended the PMLS and participated in different activities.

80%, much better than other power generation sources.

We want to emphasise here that there is a need to curtail reliance on energy imports that constituted around one-quarter of the entire import bill on average during FY20-22. This would require policy focus to lower the economy's energy intensity by ensuring energy efficiency and conservation.

Furthermore, given Pakistan's high dependence on fossil fuels, there is a need to move towards power generation through renewable resources that are self-sufficient, cost-efficient and economically viable.

We hope CEO TDAP Zubair Motiwala's assurance to the leather sector of incentivising the exporters to attend the international expos will positively impact the leather and footwear industry.

Besides, he also assured the leather and footwear industry of a release of EDF for the research and development of the leather sector of Pakistan.

Meanwhile, Pakistan's leather industry exports revenue saw a minimal growth of 0.57% during the first seven months (July – January 23) of the current financial year 2022-23 (July-June) on the back of substantial footwear exports.

The full leather, leather garments and footwear industry export revenue increased to US\$ 572.589 million from \$569.304 million earned in the same seven months of the last fiscal year, according to data compiled by the Pakistan Bureau of Statistics (PBS). With the tapping of potential in the footwear sector, we believe Pakistan will again cross one billion in export revenue soon.

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### 1,100MW K-3 inaugurated, China praised

Prime Minister Shehbaz Sharif recently inaugurated K-3, the third unit of Karachi Nuclear Power Plant (Kanupp), which will produce 1,100 megawatts of electricity. The project has been completed with Chinese assistance.

Speaking on the occasion, the Prime Minister said K-3 was a step forward in cooperation with Pakistan's trusted friend China. He congratulated the scientists and workers of Pakistan and China who strove for completion of the

project. He said the staff of the Pakistan Atomic Energy Commission, who contributed to the project, would be invited to the Prime Minister's Office for public recognition. The Prime Minister said in view of \$27 billion energy import bill, Pakistan required alternative and inexpensive sources of energy including solar, wind, hydel and nuclear.

He said Pakistan was blessed with enormous resources, having the potential of producing 60,000 megawatts through hydel power. But he regretted that the power generation stood merely 10,000 megawatts.

He recalled that the project of Kanupp was finalized during the tenure of then Prime Minister Nawaz Sharif and expressed gratitude to the government of China for extending cooperation in this regard.

Shehbaz said the electricity projects under the China-

Pakistan Economic Corridor were greatly contributing to the country's energy demands through the production of thousands of megawatts.

International Atomic Energy Agency (IAEA) Director General Rafael Mariano Grossi, in a video message, emphasized the importance of safe use of nuclear energy as Pakistan faced challenges of climate change.

Pakistan Atomic Energy Commission Chairman Raja Ali Raza Anwar said National Electric Power Regulatory Authority had declared KANUPP a high power producing facility with its 27.15 percent production.

Meanwhile, Prime Minister Shehbaz Sharif also visited the residence of Minister for Poverty Alleviation and Social Protection Shazia Marri to extend greetings on her son's wedding. The Prime Minister, who was on day-long visit here, expressed good wishes for the newly-married couple.

He prayed that the wedding of the couple might become a source of pleasure for both the families.



### Barrick makes initial payment of \$3m to Balochistan govt

Barrick Gold Corporation has paid the first \$3 million to the Balochistan government as part of the new Reko Diq partnership.

After the signing of agreements and completion of legal process last month, Barrick and the Government of Balochistan recently agreed upon the timetable for the disbursement of committed funds to the province.

Reko Diq Pakistan Country Manager Ali E Rind handed over the cheque for US\$ 3 million to Secretary, Mines and Minerals Development Department, Saidal Khan Luni, said a news release. The new Reko Diq agreement ensures that benefits from the project start accruing to the people of Balochistan well before the mine goes into production through advance royalties and social development funds.

During peak construction the project is expected to employ approximately 7,500 people and once in production it will create around 4,000 long-term jobs. Barrick's policy of prioritizing local employment and suppliers will

have a positive impact on the local economy. Barrick is working to set up community development committees to identify priority projects focused on food security, environmental management and access to education, healthcare and potable water.



The company plans to finish the Reko Diq feasibility study update by the end of 2024, with 2028 targeted for first production. Subject to the updated feasibility study, Reko Diq is envisaged as a conventional open pit and milling operation, producing a high-quality copper-gold concentrate. It will be constructed in two phases, starting with a plant that will be able to process approximately 40 million tonnes of ore per annum which could be doubled in five years following first production from phase one. With its unique combination of large scale, low strip and good grade, Reko Diq will be a multi-generation mine with a life of at least 40 years.

### Saindak Metals gives Rs2.59bn in royalty to Balochistan govt

Saindak Metals Limited (SML) recently paid Rs2.59 billion in royalty to the Balochistan government from the Saindak copper-cum-gold project. SML Managing Director Muhammad Raziq Sanjrani met Chief Minister Mir Abdul Qudoos Bizenjo and gave him the cheque. Minister for Finance Engineer Zamrak Piralizai and Minister for Planning and Development Noor Muhammad Dummer were also present on the occasion.

According to SML officials, the cheque was handed over to the chief minister after approval from the company's board of directors and the federal government under the Aghaz-i-Haqooqi-Balochistan Package. "SML has also paid Rs23.02bn to the Balochistan government in Corporate Social Responsibility (CSR) from 2010 till 2022," an SML press release said. It said SML and its partner Chinese firm MCC Resource Development Limited had so far paid a total of Rs13.1bn in royalty and Rs1.6bn in CSR to the Balochistan government. A spokesman for SML said that as many as 1,800 people from across the province had been employed at the Saindak project.

## Incompetence termed main reason behind current economic woes

The Institute of Policy Studies (IPS) hosted a Roundtable titled, "Pakistan's Investment Climate: The Way Forward." Muhammad Azfar Ahsan, Founder & CEO, Nutshell Group; former Minister of State & Chairman Board of Investment (BoI); was the keynote speaker. The roundtable was a hybrid session, chaired by Khalid Rahman, Chairman, IPS.

Former ambassador Syed Abrar Hussain, Vice Chairman, IPS, welcomed the guests.

The objective of the session was to explore the current challenges faced by local and foreign investors and the desired economic strategies to overcome the prevailing crises.

Azfar Ahsan started his talk with three main issues; lack of vision, lack of political will, and the need for collaboration. "Although I have zero tolerance for corruption, I believe that a significant reason for the economic crises that we face is incompetence." He further added that under the current circumstances, doing business in Pakistan is no less than jihad.

Elaborating on investment issues, Azfar Ahsan stated that investors need handholding and assurances, as their profits go back into developing the infrastructure in Pakistan; and one success story creates opportunities for others to follow. Similarly, Public Sector Enterprises (PSEs) must be privatised. PSEs have become a major drain on national resources and the Privatization Commission's performance is dismal for the lack of expediency and identification of issues.

Extrapolating on Foreign Direct Investments (FDI), Azfar Ahsan said that the FDI portfolio is less than \$3 billion, which is not sustainable for a country of over 230 million people. "Our investment climate is challenging for the lack of consistency and facilitation," he emphasized.

Commenting on the turnover and lack of continuity, he stated that he was the fourth BoI Chairman and saw the

appointment of the sixth FBR Chairman and fifth Finance Secretary during his tenure.

Talking of FDI, Azfar Ahsan said that "Investors need handholding and assurances, as their profits go back into developing the infrastructure in Pakistan and one success story creates opportunities for others to follow."

He insisted that Pakistan must focus on six to eight countries as best case studies, to attract investment. He further highlighted that Uzbekistan's and Kazakhstan's investment strategies are excellent model for Pakistan to follow. These economies have shown remarkable development in a short time. "We need to create a similar ecosystem in Pakistan with a simultaneous focus on G2G, G2B, and B2B."



While contemplating China Pakistan Economic Corridor (CPEC) project, Azfar Ahsan highlighted CPEC as a great example of FDI and solemnly noted that not much is being done to productively utilize the opportunity. He said that the Chinese government has already established Special Economic Zones (SEZs) in 22 countries; BoI had recommended that this should be the top agenda in our meeting with China's President Xi.

The Saudi government has funding available for eight priority sectors. Their biggest desire is to engage Pakistan as a food security partner; they want to establish an Agri Zone in Pakistan, in addition to an oil refinery in Balochistan. Unfortunately, the delay has been at our end, as we have failed to deliver ready projects; meanwhile, KSA is investing aggressively in other countries. Azfar Ahsan further added that during his meeting with KSA's

Investment Minister, they designed an investment strategy for both countries, based on an opportunity of a few billion dollars per annum. No progress has been made since then, and the State is only focusing on getting bailouts.

Azfar Ahsan believes it is wrong to blame any political government, bureaucracy, or army for the reasons of lack of investment. This is shared responsibility and shared failure.

"Right now, there is a compulsion to sign an agreement with the IMF, but \$1.1 billion is insignificant if we compare it to the potential of investment that we have to generate on our own. We can bring in FDI of \$6 to 8 billion in three to five years and around USD 15 billion in eight to ten years, given a stable framework of policies that is above any political change."

Another big concern for investors is the FBR's function and policies, he said. They feel burdened beyond their feasibility. It has reached a level of exploitation and needs immediate solutions. However, addressing issues this complex, at the national level with an international context we need strong leadership and that is the office of the Prime Minister only. The state's Prime Minister is responsible for resolving bureaucratic hurdles; in the past, none of the premieres were able to do so.

The attendees praised the roundtable format for enabling them an equal voice in the discussion. They contributed through insightful questions and statements and shared appreciation for a candid approach toward understanding the impediments and finding solutions, which of course begin with a clear vision and meritocracy above anything else.

Syed Tahir Hijazi, former Member (Governance), Planning Commission; Safdar Sohail, Dean, National Institute of Public Policy; Zafar-ul-Hasan Almas, Joint Chief Economist, Planning Commission; and Dr. Shahzad Iqbal Sham, IPS' Senior Research Associate; economists, government officials, analysts, researchers, and media were in attendance.



### A trade policy for 2023

By Ahad Nazir & Aimen Zulfikar

The year 2022 has come to an end with the start of a global economic recession. The economic cycle is brutal. It is catalysed by and through the global political climate, through recent conflicts, barriers to recovery in a post-Covid world and disruptions in the global supply chains.

Pakistan is one of the worst affected by the global economic crisis. This article aims at identifying the issues and recommending practical solutions for long-term, sustainability-focused and consistent policies to ensure survival during the recession.

Pakistan is facing one of the worst economic crises since its independence in 1947. With a current account deficit of around \$10 billion and principal repayments on about \$24 billion of its external debt, Pakistan appears vulnerable to default. It needs sustainable, practical steps to avoid such a situation now and in the near future.

The year 2023 is expected to be a difficult one globally due to increasing inflation caused by the rising fuel prices primarily due to the impact of the Ukraine-Russia war. The global inflation impacts countries like Pakistan in the following significant ways, a) the huge reliance on imports, especially for fuel; b) the devaluation of a weak currency and its ancillary multiplier effect; c) the market dynamics with developed powers ensuring their energy, economic, food and other forms of security; d) disasters caused by climate change; and e) security situation created by acts of terrorism. All these causes have played their role in aggravating the economic situation.

Some of the major trade-specific challenges for Pakistan for the year 2023 include: a) the requirement for additional food imports due to the crops lost in the floods in 2022; b) the requirement of a system for robust and agile trade financing facility; c) the requirements for ease in regulations for cross-border trade; d) the inclusion of products and markets; e) requirement for Pakistan to better integrate with the global value chain through imports, re-exports and exports; f) increase in costs of gas and energy prices; g) significant mismatch in investment



and trade policies; h) reaping benefits from the heavy public investments in the road and rail infrastructure established for regional integration; and i) to focus on the implementation of trade facilitation schemes in their true spirit.

Pakistan faced major floods in the monsoon season of 2022 that impacted all four provinces and almost 15 percent of the population. This has resulted in a serious food crisis and damage to crops and future yields in the Punjab and Sindh. Some of the agricultural commodities that were locally produced last year will be required to be imported this year.

The additional burden on the balance of payments will require a similar amount of additional exports and re-exports through combined and coordinated efforts for the diversification of markets and products for export. Pakistan also needs to work immediately on the carbon credit market development and integrate its sequestration potential into the international carbon credit market to ensure sustainability in financing available to cater for such losses in the future.

Pakistan's exports primarily comprise textile products going to the European Union and the United States. The US and big players in the EU, like Germany, have officially announced a recession in the last quarter of 2022. This means that the purchasing power of the consumers will be affected and the demand for textile products will decrease. This calls for better and more coordinated efforts by the stakeholders, including the Ministry of Commerce, Federal Board of Revenue, provincial and federal boards for investment and

trade, to work with the private sector to understand the requirements of the international market and develop a diversification strategy focusing on all sectors.

The Pakistan Business Council, the Overseas Investors' Chamber of Commerce and Industry, the Federation of Pakistan's Chambers of Commerce and Industry and sectoral and geographic business associations need to specifically engage in market research at a global level. This may be complemented by the efforts of the very able team of trade consuls and officers in various embassies abroad. Think tanks may also be involved in the evaluation of diversification approaches and integration with the global value chains. International offices of major embassies and high commissions to Pakistan can also give their inputs based on product needs.

The interventions in terms of research and policy backing may include provisions for Pakistan's integration into the GVC as well as provisions for transit trade. The huge investments by international partners and the government of Pakistan in the development of a nationwide road transport infrastructure through initiatives like China Pakistan Economic Corridor and Central Asia Regional Economic Cooperation should bear fruit now. Branding Pakistan as a "pathway to Central Asia" is a good step but will require coordinated efforts of all stakeholders including the security agencies. This may include re-negotiation of trade terms with all neighbours, including India.

Another aspect of the reduction of



imports for luxury goods to make way for necessity-based imports is the recommendation for starting a campaign under the Ministry of Commerce titled, Made in Pakistan. Similar initiatives in countries like India have been implemented to reduce import dependence.

Shopping malls and centres selling locally produced items may be incentivised over the ones that have imported items. This can be done via taxes and other fiscal instruments.

Pakistan has been improving its ease of doing business. For cross-border trade, it established a Pakistan Single Window (PSW) to facilitate the regulations of trade through an automated platform. 75-78 public regulators involved in various forms of cross-border trade are coming together on the automated platform. This can significantly reduce the time and cost of doing

trade. Initiatives like the PSW need to be emphasized. The focus should be on consistent policy and better coordination between departments in this regard.

Once the exports become significantly competitive, the probability of a stable currency will increase. This will eventually have a long-term positive impact on the national economy. Energy, especially gas, requirements are one of the major barriers to cross-border trade. This requires significant and practical efforts to include Pakistan in the regional energy value chain through initiatives like Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline and Central Asia-South Asia (CASA) power project. In the short term, Iran can be a good partner to import petroleum products.

Since trade financing is a major challenge, the State Bank of Pakistan

should establish a private sector-led trade financing accelerator enabling the private sector to finance its trade-related transactions. The recent issues in the letter of credit opening will also diminish once the accelerator is operational. International partners can also support such initiatives. The accelerator, in addition to the trade facilitation, should be integrated with the PSW to ensure a smooth flow of transactions.

Uncertainty can be turned into opportunities or threats. Evidence-based policymaking can help us reap benefits from the current crisis. Some of the recommendations in the article have been part of previous strategic trade policy frameworks. Their implementation may be catalysed by the current 3C (Covid, Conflict and Climate Change) crisis if all stakeholders play their part well.

*Courtesy - The News*

## LSM troubles deepen

Large Scale Manufacturing is down 3.7 percent for 1HFY23. For December it is down 3.5 percent – which marks the sixth consecutive month of negative growth. When did this last happen? Never in the last 13 years at least. Not even in and around peak Covid outburst. The trend is setting across sectors, with more and more groups entering the negative zone every month.

Of the 22 broad sectors tracked by the PBS for LSM computation, 18 now show negative growth for 1HFY23. Of the four in the green zone, three are the new entrants which made their way into LSM after the recent rebasing exercise. Wearing apparel, furniture, and football – the monthly export quantities of which are used as proxies (and not the actual local production) – remain positive – with a combined weight of around 8 percent.

Readymade garment export quantities have a 6 percent weight in LSM, and January 2023 numbers show the growth is also slowing down – now down to 44 percent. That said, it is still a very healthy growth given everything else around it seems to be falling apart. Thankfully, the PBS takes the correct numbers for wearing apparel quantities for LSM tabulation. That is because the export data released by the PBS for the past three months

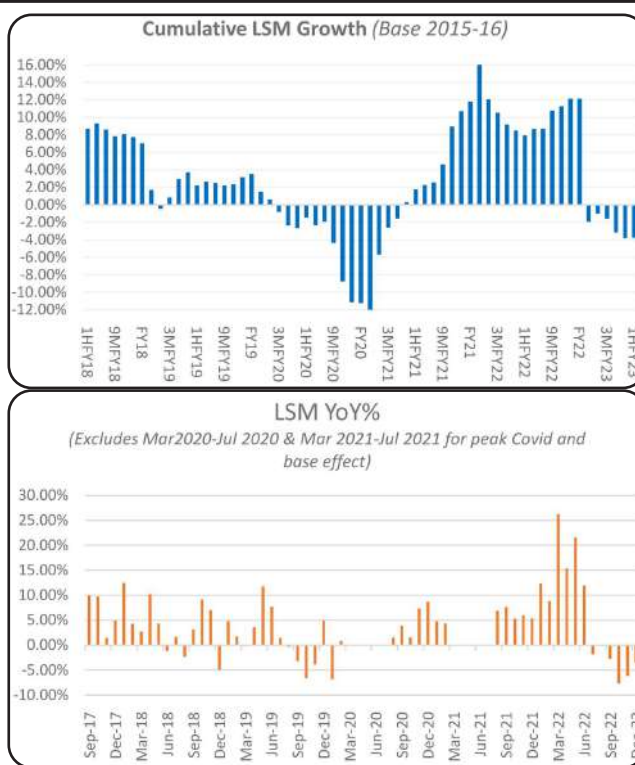
erroneously shows cumulative exports inflated by at 22 percent. Here is hoping the PBS officials take a look at what is going on with readymade export quantities as they do not add up from monthly and cumulative sheets.

Furniture export quantity growth has come to earth in January 2023 – and will be reflected in upcoming LSM – down from over 100 percent for 1HFY23 to 12 percent for 7MFY23. This was bound to happen given the minuscule share in overall exports – and quantities in single digits leading to triple digit growths.

For everything else, red is the color. And from how things are shaping up – it promises to be mostly red for quite some time. The recent mini budget measures will ensure there is a further dent on beverages, tobacco and cement industries – all of which

are already down in double digits. Interest rates are soon going to go high – and that should ensure another long dry spell for the likes of electronics, automobiles, chemicals, and even textiles.

The bottom is not here yet. Negative 3.7 percent would look a mini victory a few months from now.



# PORTS, SHIPPING & RAILWAY

## Progress on port and shipping business in Pakistan

By Dr. Muhammad Nawaz Iqbal

A country's economy is significantly dependent on efficient trade and freight, made possible by ports, which act as gateways for internal and international trade. Ports are seen to be essential for sustaining a nation's economy. In addition to managing cargo, ports also contribute to the prosperity of the local economy.

Pakistan is fortunate to have 1046 kilometres of the Arabian Sea coastline. The coastline is split between the 246-kilometre-long Sindh Coast and the 800-kilometre-long Makran Coast. Pakistan has built three important ports: Karachi, Gwadar, and Muhammad Bin Qasim. One of Pakistan's oldest ports is Muhammad Bin Qasim Port, sometimes known as Port Qasim, whereas Karachi Port sees the most traffic. Recently, Pakistan and China worked together to create the Gwadar port, which is strategically important. A sixteen-meter-deep freight ship can fit in Gwadar Port, one of the deepest marine ports in the world.

Gwadar Port had been without a single commercial shipping line for ten years and depended on government-diverted goods with heavily subsidized road transit. However, since COPHC acquired control of the port, things have changed, and the infrastructure has improved, particularly since Afghan transit goods began using Gwadar Port on January 14, 2020. These efforts not only created numerous economic opportunities for Pakistani transporters, customer clearance businesses, and many others but also stabilized the supply to Afghanistan and other landlocked Central Asian nations.

One of the main routes for international trade and oil supply is the Strait of Hormuz. Gwadar is Pakistan's deepest seaport, and it is located 120 kilometres from Iran's border and 400 kilometres from the Strait of Hormuz. Gwadar port is developing quickly as part of the China-Pakistan Economic Corridor due to its strategic importance for

China and Pakistan. As part of CPEC, auxiliary infrastructure projects for the port will also be constructed. A \$114 million desalination plant will be built to supply the city with potable water.

The government of Pakistan will also invest \$35 million in infrastructural improvements in the Gwadar Special Economic Zone. To link the Gwadar Port to the current Makran Coastal Highway and the envisioned \$230 million Gwadar International Airport, a 19-kilometre dual carriageway known as the Gwadar East Bay Expressway would also be developed. Three phases will be necessary to complete the special economic zone. Manufacturing and processing sectors are anticipated to emerge by 2025, and the zone's additional expansion is expected to be finished by 2030.



As part of the \$2.5 billion Gwadar-Nawabshah segment of the Iran-Pakistan gas pipeline, a floating liquefied natural gas facility with a daily capacity of 500 million cubic feet of liquified natural gas will also be constructed at the port by Pakistan's Inter State Gas System and the China National Petroleum Corporation. In addition, the Pakistani government plans to build the Pak-China Technical and Vocational Institute in Gwadar, which will cost 943 million rupees to construct, to teach locals about using the port's machinery.

The federal government built a second port in Karachi, Port Qasim, 30 kilometres to the east, and a third, larger port at Gwadar, roughly 650 kilometres to the west, to reduce the

rising congestion in recent years.

A new private terminal 5 kilometres to the west is another rival to the Port of Karachi. The Karachi Port Trust intends to deepen the port further to improve facilities. The waterway is dredged to 13.5 metres deep to accommodate 12-meter draught ships at all tides. Dredging will be done to a depth of 16.5 metres at the harbour's outermost point, Kiamari Groyne, to allow the docking of vessels up to 300 metres long. The following initiatives will help the port grow:

KICT's annual handling capacity increased from 300,000 TEUs to 400,000 TEUs. At KICT, there are two new berths with a 14-meter depth alongside and a larger 100,000-m<sup>2</sup> terminal/stacking area. At East Wharf, a new bulk cargo terminal. Rebuilding the first oil pier to accommodate 90,000 tonnes of deadweight (DWT) tankers, a brand-new 100-acre (0.4 km<sup>2</sup>) cargo hamlet to handle bulk, general, and containerized freight. They were rebuilding the 100-year-old NMB Wharf to improve passenger ship berthing. The acquisition of a brand-new dredger, two hopper barges, two harbour tugs, two water barges, an anchor hoist vessel, two pilot boats, and a dredger tender.

A second fishing harbour is being constructed 18 kilometres distant at Korangi, while the Karachi Fishing Harbour has recently undergone improvements. Congestion has been considerably eased by transferring certain naval warships to the new facility at Ormara.

Since Pakistan's founding, the maritime industry has received little attention. A lack of marine focus makes it harder for the nation to realize its full maritime economic potential. Therefore, ports and maritime facilities are only partially built to support Pakistan's continued financial operations. These ports must be sufficiently operational to support Pakistan's main marine interests. Therefore, to properly utilize these ports' actual strategic and commercial potential, the government of Pakistan must take the necessary steps to modernize and develop them.

## PQA signs MoU with Alkhidmat

The Port Qasim Authority (PQA) has signed MoU with the Alkhidmat Karachi for employees' medical facilities. The agreement was signed during a ceremony at the office of the Port Qasim Authority in the presence of Alkhidmat's Executive Director Rashid Qureshi, Secretary Port Qasim Authority Tipu Sultan Sheikh, Senior Superintendent Alkhidmat Fareeda Yaqoob Hospital Dr Zafar Iqbal and other officials. Under the MoU, employees of the Port Qasim Authority and their families will be able to avail medical facilities such as Admission,

OPD, Diagnostics and Pharmacies at Alkhidmat's health institutions.

Speaking on the occasion, Rashid Qureshi said the Alkhidmat is providing advanced health facilities to common people at affordable rates without any discrimination of caste or creed to help them get the best treatment during these difficult days of high inflation.

The agreement with the Port Qasim Authority is evidence of the fact that the Alkhidmat is considered as one of the best health institutions around. Acknowledging the Alkhidmat's welfare services all over the country, Tipu Sultan Sheikh hoped that the



Authority's employees would enjoy these health facilities with the same spirit of service expected from the Alkhidmat.

He said the PQA was always looking at ways to improve the working conditions for its employees, and this MoU with the Alkhidmat was an example of the same.

## Thar coal to be linked with PQ thru rail system

The government has decided to link Thar coal and Port Qasim (PQ) with Pakistan Railways network through Rs 58.240 billion project in order to provide bulk transportation facilities as per requirement of the economy.

According to local media, the PC-I of the project has been prepared and is expected to be approved soon. They added that the total project cost of Rs 58.240 billion would be financed through Public Sector Development Programme and Annual Development Plan on equal cost sharing basis. The project comprises construction of



105-kilometer long track including 24.58-kilometer loop-line new single line railway track infrastructure from Thar Coal mines to new Chhor Station and; (ii) construction of 18-kilometer long new double line track (9-Kilometer on each side), includes 4.20-kilometer long loop-lines, from Bin Qasim railway station to Port Qasim.

The construction of seven railway stations along the railway route with

14 platforms are in the scope of the work of the project, and of seven stations, two major stations would be established at Thar coal mines and new Chhor station, respectively. And five intermediate stations would be established between two major stations.

The project has been designed to provide reliable and efficient railway infrastructure to break the geographical barriers of Thar coal and enable its transportation across the country and to provide environment friendly mode of coal transportation. If transported through railway, the environmental pollution will be minimal besides reducing traffic congestion on roads.

## DP World wins bid to develop mega-container terminal at India's Deendayal Port

Once complete, the terminal at Tuna-Tekra will include a 1,100m berth, and will be capable of handling vessels carrying more than 18,000 TEUs. Total capacity will be 2.19 million TEUs.

The contract was awarded by the Deendayal Port Authority on a build-operate-transfer (BOT) basis and the terminal will be constructed through a public-private partnership (PPP).

Once complete, the terminal will cover an area of approximately 63 hectares and cater to exports and imports from northern, western and central India. DP World said its strategic investments in ports and terminals in the country is aligned with the Indian government's Vision 2047, which aims to quadruple the country's port handling capacity. Sultan Ahmed Bin Sulayem, group chairman and CEO of DP World,

said: "India represents a significant landscape

for opportunity. As the value chain becomes more integrated, significant growth opportunities exist across the entire Indian ports and logistics space.

"With the development of Tuna Tekra mega-container terminal in Gujarat, DP World will be well-placed to capture these opportunities, further connecting northern, western and

central India with global trade and driving value for all our stakeholders." Rizwan Soomar, CEO and MD, India Subcontinent and sub-Saharan Africa, DP World added: "We are honoured to partner with Deendayal Port Authority in developing this new mega-container terminal at Tuna-Tekra. We are confident that our deep expertise in developing critical infrastructure under public-private partnerships will drive value for all stakeholders involved in this project. We remain enthusiastic to continue playing an important role in developing world-leading assets to enable trade flow in key markets of India."

DP World already operates five marine terminals in India – two in Mumbai, one each in Mundra, Cochin and Chennai – with a combined capacity of approximately six million TEUs. With the addition of Tuna Tekra Container Terminal, DP World will have a capacity of 8.19 million TEUs.





### DP World remains committed to uplifting trade flow across the globe

#### About DP World

WE are the leading provider of worldwide smart end-to-end supply chain logistics, enabling the flow of trade across the globe. Our comprehensive range of products and services covers every link of the integrated supply chain from maritime and inland terminals to marine services and industrial parks as well as technology-driven customer solutions.

We deliver these services through an interconnected global network of 295 business units in 78 countries across six continents, with a significant presence both in high-growth and mature markets. Wherever we operate, we integrate sustainability and responsible corporate citizenship into our activities, striving for a positive contribution to the economies and communities where we live and work. Our dedicated, diverse and professional team of more than 97,657 from 158 nationalities are committed to delivering unrivalled value to our customers and partners. We do this by focusing on mutually beneficial relationships with governments, shippers, traders, and other stakeholders along the global supply chain relationships built on a foundation of mutual trust and enduring partnership.

We think ahead, anticipate change and deploy industry-leading digital technology to further broaden our vision to disrupt world trade and create the smartest, most efficient and innovative solutions, while ensuring a positive and sustainable impact on economies, societies and our planet.

#### We help trade flow across the globe

OUR global network spans 78 countries, including ten in Africa, made up of logistics terminals, marine services, ports and economic zones. We think ahead, anticipate change and create innovative trade solutions for a positive impact on society.

#### DP World in Pakistan

#### A versatile port solution bringing the world to Pakistan

Since commencement of operations in

1997, Qasim International Container Terminal (QICT) – the first of its kind in Pakistan – has

opened a gateway for global trade in the region, advancing economic development and supporting sustainable growth opportunities for surrounding communities.

At DP World in Karachi, we are continually exploring innovative solutions and implementing best practice to maximize ease of business and further entrench ourselves as the premier trade enabler for Pakistan.

#### QICT highlights

- Pakistan's very first dedicated international container terminal.
- Pakistan's leading container terminal operator, handling 40 per cent of all import and export trade across four terminals.
- Ranked in the Top 100 best ports worldwide and 19th in the region, outperforming Cochin (India) Chittagonam (Bangladesh), and Sharjah (UAE) according to the Port Performance Index of 2021.
- The concession was originally awarded to P&O Ports in 1995, but the company was bought out by DP World 11 years later through a 75pc shareholding with Dubai's government.

#### Going beyond the gates

Amplifying efficiency and capitalising on our out-of-the-gate services to maximise value for customers.

We are the only terminal in Pakistan whose outreach have gone beyond the gates to afford our customers integrated value added services in the form of the following:

#### Business resilience

While 2021 was a challenging year for businesses around the globe due to the Covid-19 pandemic, DP World Karachi surpassed its annual budget volume, reaching 1,304,124 TEUs the highest in its 24-year history.

Our aim is to keep pushing boundaries; provide top-class services to our customers; continue being a part of DP



World's growth story; and play a pivotal role in achieving our organization's vision by enhancing our capabilities.

#### Giving back







As a purpose-driven business, we continually seek to improve local infrastructure, advance job creation, and make a positive difference to Pakistan's overall sustainable development. Some of our community upliftment projects include:

- Maintenance of mangroves
- Blood donation campaigns
- Installing solar panels and computer labs at schools
- Building schools where free education is provided
- Environmental awareness campaigns.

#### Unique value-added services

We are a one-window service provider which leverages digital technologies and innovative solutions to provide a seamless, hassle-free customer experience.

- Port Management for berthing and sailing
- Self-service kiosks
- In-facility customs clearance
- Mobile android applications
- Electronic delivery orders
- QICT-customer facilitation website
- Online payment solutions
- Online export gate process.

Terminal overview	
 <b>11</b> Quay cranes	 <b>1,327 m</b> Quay length
 <b>1,399,000</b> TEUs Capacity	 <b>13 m</b> Sea depth
 <b>15</b> Reacher stacker	 <b>49</b> RTGS

## Tianjin Port Group and Huawei deepen cooperation to build a digital twin of the world's first smart, driverless, zero-carbon port terminal

Tianjin Port Group and Huawei deepen cooperation to build a digital twin of the world's first smart, driverless, zero-carbon port terminal.

Tianjin Port Group and Huawei announced that the two companies would deepen cooperation to build a digital twin of the world's first smart, driverless, zero-carbon port terminal, making it more automated and intelligent. Yang Jiemin, Vice President of Tianjin Port Group, explained that this plan consists of three parts: Construction of new automated terminals, upgrading traditional terminals, and comprehensive digital transformation.

The Section C Terminal in the Beijing Port Area of the Port of Tianjin was the world's first smart, driverless zero-carbon port terminal. It entered large-scale commercial operations in October 2021 and has been operating stably ever since. Using 5G and L4 autonomous driving technologies at the terminal makes operations safer and more efficient.

At the terminal, remotely controlled quay cranes lift loaded containers from cargo ships and put them onto intelligent robots for horizontal transportation.

Supported by the BeiDou Navigation Satellite System, these robots are guided to automatic locking/unlocking stations to load/unload

containers and then to the container yard along optimal driving routes that are calculated in real-time. The entire process runs with clockwork precision.

Jiemin explained how the new solution, which combines 5G and L4 autonomous driving technologies, has been put into large-scale commercial application in a partially public scenario at the Section C Terminal for the first time. This has provided a new model for upgrading and transforming traditional container



terminals worldwide. "These innovations being used at the Port of Tianjin are having a huge impact on the port industry, creating new value for ports by improving operating environments, driving green and low-carbon development, and increasing operational efficiency. We believe that these practices will promote the intelligent development of the global port industry," said Yang.

Shunli Wang, Vice President of Huawei Middle East and Central Asia, said, "Ports in Pakistan are set for

revolutionary, smart, zero-carbon fully automated digitalised operations that

leverage 5G, AI and cloud and other advanced digital capabilities. We are keen to utilise our expertise to enable ports in the region to be safer, more efficient, smart, green and intelligent."

Yue Kun, CTO of Huawei's Smart Road, Waterway & Port BU, stated, "Ports are a vital link in the international supply chain, connecting trade and supply markets across the globe. Building more efficient smart ports is becoming an increasingly pressing requirement for the global supply chain."

Section C Terminal of the Port of Tianjin has been operating stably for over one year, proving that 5G and L4 autonomous driving have already been successfully adopted by industries in China and are creating true commercial and social value."

Kun believes this progress will benefit various industries, with next-generation digital technologies, such as 5G and AI, combined to solve industry problems, promote digital industry transformation and upgrading, and generate social value.

As a major modern port, the Port of Tianjin boasts 300,000-ton-class terminals with a channel depth of 22 m. It has 213 berths of various types. In 2022, its container throughput exceeded 21 million TEUs, ranking among the top 10 ports worldwide.

## Bulk cargoes imported by govt begin arriving at Gwadar port

The Gwadar port has started receiving government imports of bulk cargoes as three consecutive vessels carrying 90,000 MT urea have already arrived at the port and clocked the fastest discharge rate, recently.

This represents the efforts of the Ministry of Maritime Affairs, China Pakistan Economic Corridor (CPEC) Authority, Gwadar Port Authority (GPA), Trading Corporation of Pakistan (TCP) and Pakistan Customs, according to a press release issued recently.

These bulk cargoes were discharged and after bagging at the port are

transported from Gwadar to other destinations in Pakistan. Next month Gwadar Port will start handling 450,000 MT of TCP wheat.

TCP on behalf of the government decided to handle the import of urea and wheat through Gwadar Port.

This movement will ease the huge congestion at other ports of Pakistan due to the high traffic of vessels carrying bulk cargoes, which results in delaying the operation and transportation of shipments; thus, disturbing the entire supply chain mechanism.



Import of these government cargoes offers substantial benefits to locals and will generate various economic activities and employment opportunities for locals in terms of 100% shipping agencies services by locals, a top priority for local transporters etc.

### Since inception, Engro LNG terminal helps Pakistan save over \$3 billion through import substitution of furnace oil

Engro Elengy Terminal has successfully handled over 450 ship-to-ship transfers since its inception, as a result, Pakistan has been able to save more than \$3 billion through import substitution of furnace oil.

In 2015, Engro developed the first-ever LNG terminal facility of Pakistan. Built in a record 335 days, the LNG terminal currently handles 68% of all LNG imports into Pakistan and now fulfills around 15 percent of the country's daily domestic gas requirement.

Engro Corporation, Pakistan's premier conglomerate, and Royal Vopak of the Netherlands - the world's largest bulk liquid storage and handling company - have recently celebrated 25 years of strategic partnership that has led to mutual growth and helped promote energy security and industrialization in Pakistan.

Engro's business relationship with Royal Vopak dates back to 1997, when the joint venture of Engro Vopak Terminal Limited (EVTL) was commissioned as a state-of-the-art chemical storage and handling business at Port Qasim. The relationship between Engro and Royal

Vopak of the Netherlands was further strengthened in 2018 when Royal Vopak acquired in total 44 percent shareholding of Elengy Terminal Pakistan Ltd (ETPL) to enhance its global LNG portfolio.

EVTL is the only facility in Pakistan that combines services for bulk storage of chemicals, cryogenic and LPG gases all under one operations. The terminal operations have grown from handling 0.5 million tons of specialized and hazardous bulk liquid cargoes to around 6 million tons per annum.

Since inception, it has facilitated investments of more than \$2 billion in the downstream petrochemical industry.

EVTL provides for over 60 percent of Pakistan's bulk chemical imports and about 55% of LPG marine imports. Therefore, this venture stands as a key enabler for major industrial activities in Pakistan and helps contribute towards energy security that serves over 1 million households.

EVTL and EETL safely handle almost \$4 billion of feedstock and products on

an annual basis, without any incidents related to product contamination or loss, health, and the environment. The business has operated without lost-time injury (LTI) for the last 25 years, which is an impeccable safety record even by global standards.

To mark the 25th anniversary of Engro and Royal Vopak partnership, Mr. Dick Richelle (Chairman Executive Board and CEO - Royal Vopak) and Mr. Chris Robblee (President, Vopak Asia & Middle East) toured Pakistan to meet partner Engro Corporation, headed by Mr. Ghias Khan (President and CEO), senior executives of Engro, and visited the terminal facilities at Port Qasim to engage with the employees as well.

According to Mr. Ghias Khan, "This partnership is very special and a great example of Pakistan because it has been very successful in all dimensions.

We are now looking forward to greater things not just in Pakistan, but internationally as well. What we value the most about this relationship is the mutual respect and trust, and the desire to learn from each other."

Mr. Dick Richelle shared that, "We have many partnerships around the globe for quite some time, but what we have in Pakistan is very special.

We are not only celebrating 25 years of partnership between Vopak and Engro, but its 25 years of friendship between the two companies. I want to thank everyone at Engro for allowing us to develop this friendship over the period of time, and to do that with the trust we put in EVTL and Elengy."



### Adani-led group buys Israeli port

A consortium led by India's Adani Group has completed the purchase of Israel's Haifa port for four billion shekels (\$1.15bn), the Jewish state's finance ministry said recently.

The sale of one of Israel's main seaports has taken five years and marks the culmination of a nearly two-decade reform of an underperforming sector plagued for years by labour strikes.

Israel has been selling its state-owned ports and building new private docks in an effort to bring down costs and cut above-average waiting times for vessels

to unload. About 99 per cent of all goods move in and out of Israel by sea and port upgrades are needed to maintain economic growth.

Israel announced in July it would sell the port in Haifa, a major trade hub on the Mediterranean, to winning bidders Adani Ports and local chemicals and logistics group Gadot.

China's Shanghai International Port Group (SIPG) opened a new port



across the bay in Haifa last year.

The entry of SIPG and the Adani-led group promises to boost Israel's standing as a regional trade hub.



## Engro Elengy handled 74 vessels during 2022

Engro Corporation Limited (ENGRO) announced its financial results for the year ending December 31, 2022. Its standalone revenue increased from PKR 21 billion in 2021 to PKR 24 billion in 2022, exhibiting healthy growth of 14%. Higher revenue was primarily due to higher dividends received from Engro



Polymer & Chemicals Limited (EPCL), Engro Fertilizers Limited (EFERT) and Engro Energy Limited (EEL), which, in turn, were driven by strong underlying business performance. Resultantly, the Company achieved an 11% higher PAT of PKR 21 billion in 2022 against PKR 19 billion in 2021, translating into an EPS of PKR 36.79 per share (2021: PKR 32.14 per share).

The Company posted a PAT of PKR 46 billion in 2022, which is 13% lower than PKR 53 billion in 2021 on account of Super Tax charge of 4% on retrospective and current year earnings and one-off adjustment of Engro Powergen Thar Limited (EPTL) tariff true up adjustment. The PAT attributable to the shareholders decreased to PKR 24 billion from PKR 28 billion in 2022, translating to an EPS of PKR 42.23 per

share (2021: PKR 48.50 per share).

### Terminals:

Engro Elengy Terminal (Pvt) Limited handled 74 vessels in 2022 versus 72 vessels in 2021, delivering 219 bcf re-gasified LNG into the SSGC network with an availability factor of 97.6%. The Terminal contributed 15% towards Pakistan's total gas supply during the year.

Engro Vopak Terminal Limited recorded the highest ever volumetric increase in chemical handling to 1,331 KT in 2022 against 1,280 KT last year, attributable to higher imports of phosphoric acid and paraxylene which was offset by lower LPG marine imports of 32% over last year, primarily driven by grey channel imports.

## Gwadar could become a major hub for shipbuilding and repair

Chairman of National Business Group Pakistan, President Pakistan Businessmen and Intellectuals Forum, All Karachi Industrial Alliance, and former Provincial Minister Mian Zahid Hussain recently said Pakistan could develop its economy by benefiting from the potential of the blue economy.



leader said that farming plants and marine life, and fishing provide seventeen percent of animal protein to the entire human population.

The blue economy also includes marine and offshore wind energy, the seafood industry, tourism, and the exploitation of oil and gas reserves in the sea. Still, the present

major part of Pakistan's blue economy consists of marine transport only.

Blue economy refers to social and economic development using the seas and oceans while protecting the marine environment and linked communities.

Mian Zahid Hussain said the blue economy includes fisheries, aquaculture, marine life, transportation, tourism, coastal welfare, and other coastal and marine matters. Talking to the business community, the veteran business

Global maritime trade accounts for US\$2.5 trillion, and Pakistan exports seafood worth only 430 million dollars annually, which is plagued by various problems. He informed that old and outdated fishing methods do not protect fishermen's lives.

Mian Zahid Hussain said that Pakistan needs to equip its workforce with modern training, methods, tools, skills, and corporate culture to take full advantage of the blue economy,

Pakistan must adapt to international standards and benefit from global demands for seafood export. Port Qasim Authority and Karachi Port Trust are government-run entities that earn hundreds of billions of rupees, but this is likely to increase substantially.

If Pakistan can use its ports for trade with landlocked Central Asian states, this sector can be revolutionized. At the same time, Gwadar can be developed as a hub for transshipment, ship repair, and shipbuilding.

Gwadar has immense potential for fisheries and aquaculture, which needs to be exploited as port expansion will change the condition of the local people and boost the maritime industry, which needs serious efforts.

Mian Zahid Hussain said there are 529 species of fish in Pakistan, of which 230 are freshwater fish and the remaining 296 are marine fish. Pakistan has immense maritime potential and opportunities which are yet to be fully realized. According to global trends, prioritizing the blue economy has become very important.

## Profile of KHT

Karachi Hydrocarbon Terminal Limited ("KHT"), a subsidiary of VIII B.V, Rotterdam, is the largest independent multinational oil storage & distribution terminal in Pakistan, with a total storage capacity of 232,000m<sup>3</sup>. The state of the art terminal handles Furnace Oil, High Speed

Diesel, and Motor Sprit, KHT provides a complete loading and decanting facility with 21 bays gantry.

The Terminal is also connected to the National White Oil Pipeline for the transportation of clean petroleum products across Pakistan, and has access to a jetty which can handle sea going vessels up to 65,000 dwt.



### Gwadar port dredging to cost five times more

The government has approved the maintenance dredging of a navigational channel of Gwadar Port with an escalated cost of Rs4.7 billion – a drastic increase from Rs1bn estimated in June 2022 – to avoid any mishap to cargo ships or imposition of penalties from Chinese port operators for business loss.

The navigation channel of the port was last cleared in 2014-15 but had since developed sedimentation of clay, sand and mud and gravelly coarse sand at most of the places. This was resulting in the diversion of bigger ships as the port could handle around 30,000 dead weight tonnage (DWT) ships rather than the designed capacity of allowing 50,000 DWT.

Official sources said the key factor behind the cost escalation was that the Gwadar Port Authority (GPA) and the Ministry of Maritime Affairs had developed the dredging project in June last year at Rs1bn on guesstimates in emergency circumstances when a couple of 50,000DWT cargo ships had to be diverted due to navigational

challenges. However, the costs had to be increased based on a proper study conducted by Pakistan Navy followed by competitive bidding. The project is to take off immediately.



The project approved by the government envisaged maintenance dredging of a 4.7-km-long navigational channel, basin and berthing area of Gwadar port. Its internal navigational channel and turning basin design depth is 13.8 meters for safe navigation of deep draft vessels and the berthing area and outer channel is dredged to 14.5 meters to permit safe berthing and sufficient clearance from the bottom in low tides. The channel is designed for the navigation of 50,000 DWT ships during all weather.

Under the fundamental law of the International Maritime Organisation

(IMO), it is mandatory to keep safe navigation of vessels in ports. The Gwadar Port Authority (GPA) is required to accomplish the international contractual obligation under relevant clauses of the concession agreement China Overseas Ports Holding Company Ltd (COPHC) to keep Gwadar Port Channel in a safe zone, prevent claims and loss in Gwadar Port business and to meet the requirements of international shipping market which demands safety of navigation and safe port operations.

The maintenance dredging had already been delayed for a few years which “could have serious repercussions in terms of penalties and damages” that might have been imposed on GPA by the Concession Holder due to loss in business or grounding of ships. The project, after completion, is targeted at enhancing port efficiency by facilitating safe and quick inward and outward vessel traffic, without having to wait for the tide or face berthing difficulties due to inadequate depth of water. It may also enhance revenues of the port in the shape of an increased share from port charges.

*Courtesy - DAWN*

### The three-day Pakistan International Maritime Expo and Conference (PIMEC) featuring 133 exhibitors ended in Karachi

The closing ceremony was held at the Karachi Expo Center, with Federal Minister for Maritime Affairs Faisal Subzwari as the chief guest. Chief of Naval Staff Admiral Muhammad Amjad Khan Niazi was also at the closing ceremony. Subzwari lauded the navy for promoting maritime awareness throughout the country. He added that the government was launching projects in coastal areas to promote the blue economy.

The maritime minister welcomed the signing of several agreements during the exhibition. He said that the government was looking to expand the exhibition further in the future.

"More countries are expected to participate in the upcoming season, generating more business opportunities." The federal

minister also lauded the navy's role in flood relief efforts. The PIMEC took place from February 10-12.

Sindh Chief Minister Syed Murad Ali called extremism, ideology-based terrorism, maritime piracy, and poverty a threat to peace while speaking to foreign delegates, part of the Aman 23 naval exercise at the CM House, recently.

The CM said that “Aman” means “peace” in the Urdu language, and peaceful co-existence has always been the centrepiece of Pakistan's foreign policy. He said that it was also

consistent with Islam's message. He observed that threats to peace have not morphed and changed their nature and character.

“Natural calamities as a result of climate change, environmental degradation, and the traditional threat of inter-state rivalries based on nationalistic agendas devoid of moral principles and justice are some of the great challenges facing us,” he remarked.

Shah said that due to the evolving nature of the threats, nations could not counter them on their own.

“They all require the collaboration of their allies, especially in the international maritime areas.” He added that the Aman exercise provided

a platform where navies from many countries got together to show their commitment to collectively counter threats to the human race and its living environments.





## Glimpses of PIMEC







## The 8th Pakistan Mega Leather Show-2023 draws foreign buyers and ended successfully

By Abdul Rafay Siddiqi

CEO of Trade Development Authority of Pakistan (TDAP) Zubair Motiwala inaugurated the 8th Pakistan Mega Leather Show 2023 with major national and international industry stakeholders at Expo Centre, in Lahore recently. Addressing the audience, Zubair Motiwala said that Pakistan Leather Show is a regular annual feature of Pakistan's leather industry, which provides an ideal opportunity for sector stakeholders with the finest exposition of finished leather and quality leather produced in the country.

The 8th Pakistan Mega Leather Show held in Lahore International Expo Centre, Lahore (Pakistan) from 1st – 3rd February'2023, jointly organised by PTA & PFMA representing Finished Leather (Pakistan Tanners Association - PTA), Leather Footwear (Pakistan Footwear Manufacturers Association – PFMA) along with all other stakeholders of Leather Sector of Pakistan such as Leather Garments (Pakistan Leather Garments Manufacturers & Exporters Association – PLGMEA) and Leather Gloves (Pakistan Leather Gloves Manufacturers & Exporters Association – PGMEA) for the exposition of finest quality of Finished Leather of all sorts, i.e. Goat/Sheep Skins, Cow/Buff Hides, Leather Footwear, Leather Garments,

made-ups with allied Industries of Tanning Chemicals, Tanning & Footwear machinery under one roof.

It was a joint collaborative effort of the Leather Industry of Pakistan for organising the 8th Pakistan Mega Leather Show in Lahore (Pakistan) with the only motive(s) 1) To portray and improve the positive image of Pakistan to the World's business community 2) To motivate the leather business entrepreneurs for business growth 3) To enhance the confidence of investors in Pakistan's business market and to attract international masses towards the tremendous \potentials that exist in the leather sector of Pakistan and enhance the potential domestic strength to provide a viable platform within the country for joint ventures between the allied industries of Leather Sector of Pakistan and foreign companies.

"The PMLS 2023 attracted potential buyers and investors from China, Italy, Germany, Hong Kong, Cyprus, USA, UAE, Spain and Tunisia," the PTA said, adding that the mega event will provide great business opportunities and valuable information for entrepreneurs, investors and all

Leather  
Gloves and  
other Leather  
Products /

other stakeholders of this promising industry." Chairman PFMA – Mansoor Ehsan Sheikh said PMLS is the World's second-largest footwear and leather exhibition. Production and tanning of leather, along with the manufacturing of leather goods, is the second biggest export-oriented industry in the manufacturing sector of Pakistan.

He said it is the third-largest contributor to the country's exports. "The rapid growth of this industry has attracted many international buyers to invest in training facilities for this labour-intensive industry. These investments will improve the technical skills of the labour involved in manufacturing leather goods," Mansoor Ehsan Sheikh said. He said that the event also features a special exhibition of the high-quality products produced by the footwear-manufacturing industry of Pakistan.

The PMLS 2023 promises to be the biggest exhibition of leather-based products in the country's history. This event will feature more than 100 national and international exhibitors. The foreign exhibitors also include many Chinese organisations, who have shown keen interest in the growing leather industry of Pakistan.

Given the sheer scale of this show and its benefits for these businesses, the organisers have always received an overwhelming response from the customers and stakeholders. Maximum participation is also expected from the Government sector. The Trade Development Authority of Pakistan (TDAP), the Ministry of Finance, the Ministry of Industries and other regulatory institutions also provide unprecedented support for this event.

Mr Asad Malik (Sr. Vice Chairman Pakistan Footwear Manufacturers Association) & Mr Abid Hafeez Convener- Pakistan Mega Leather Show 2023, Mr Muhammad Mehr Ali (Chairman Pakistan Tanners Association), Mr Muhammad Shafi (Sr. Vice chairman Pakistan Tanners Association), Agha Saiddain (Co-Convener Pakistan Mega Leather Show 2023) and others were present on this occasion.



Chairman, PTA, Mr. Muhammad Mehr Ali (L) and Mr. Agha Saiddain (C), Convener, PMLS presenting Shield to 1st position holder of Tanning Chemicals Category M/s. SRC (Pvt) Ltd, Lahore



### Announcement of next 9th PMLS-2024 in Lahore Int'l Expo Centre

Just after the Inaugural Ceremony, Mr Agha Saiddain, Convener, Pakistan Mega Leather Show, announced the Next date of organising of "9th Pakistan Mega Leather Show", scheduled to be held from 26-28th January'2024 in Hall # 2 at Lahore Int'l Expo Centre,



### Distribution of Show Directory of 8th PMLS – 2023

A prestigious Show Directory of the 8th Pakistan Mega Leather Show-2023 containing detail of the Company Profiles of each participant of Hall # 1 & Hall # 2 of the Lahore Int'l Expo Centre participating in the show distributed to each Stand holder on the 2nd



Registration counter maintained at the entrance of Hall # 2 of the Expo Centre and all the stands were quite busy with the business conclusion to the finalisation extent.

Besides the above, many foreign participants from China, Turkey, Iran, Italy, Spain, Germany, Portugal and other countries participated in the



Lahore with regular & much more new features of the show with the same spirit & enthusiasm for the promotion of trade activities.

### Activities – 2nd Day of the Exhibition

The show was full of its trade activities from 10:00 am morning of 2nd February'2023 till the end of closing time, i.e. 6:00 PM. Many traders, buyers, customers, and visitors were also at the registration counters. Various Seminars and B2B meetings were organised in Hall # 1 & Hall # 2 of the Lahore Expo Centre separately by PTA & PFMA.

### Seminar organised by SGS Pakistan

On 2nd February'2023, a Seminar on the topic of "Environmental Sustainability in Leather Industry" was organised by one of the Exhibitors, M/s. SGS Pakistan in Hall # 1, Mezzanine Floor Conference Room # 1 of the Lahore Expo Centre at noon, which was helpful & conducive for the participants.

### Seminar organised by SRC (Pvt) Ltd

On 2nd February'2023, a Seminar was organised by one of the Exhibitors, M/s. SRC (Pvt) Ltd on the topic of "Leather Circularity" in the Conference Room of Hall # 1 of the Lahore Expo Centre at 3:00 PM, which was very informative for the participants.



day of the show for information and wide promotion of their Company's products.

### Activities – 3rd Day of the Exhibition

On the 3rd day, the show started with full sewing of trade activities from 10:00 am morning of 3rd February'2023 till the end of the show time. Many traders, buyers, customers, and visitors also visited the show. A spot sale also opened on the 3rd day to facilitate the visitors concerned.

### Prize Distribution Ceremony

The Prize Distribution Ceremony was held on 03.02.2023 for the best 3 Stalls for the Finished Leather Category and 3-Stnads of the Tanning Chemicals & Machinery Category of Hall # 1 of PTA's participants separately.

### Conclusion

The 8th Pakistan Mega Leather Show-2023 was concluded successfully and achieved all desired goals and objectives set by the Show's Steering Committee.

The three-day show featured high-quality Leather and Leather products and export quality footwear export products from across the country and abroad found with enormous traffic of trade visitors, which is around 3500 to 4000 each day as well as the Electronic



show. The total number of stands in Hall # 1 & 2 were 210, both for PTA & PFMA, with eye-catching features, including brandings with the attractive ambience of booths, which were termed the centre of the attraction.

The overall outcome of the 8th Pakistan Mega Leather Show was outstanding as it exceeded expectations and achieved the desired goals of the show.

All the Exhibitors, especially foreign Exhibitors, Foreign Groups, were satisfied and committed to participating in the next event of 9th PMLS-2024 too.

Participants were found happy and shown in advance to continue participating in the next PMLS'2024 to be held from 26-28th January'2024 @ Hall # 2 (Front Hall) in Lahore Expo Centre.

Now the Pakistan Mega Leather Show in Lahore has become an Icon of the Leather Sector of Pakistan as already established its recognition domestically & internationally that offers unlimited business opportunities for boosting the sales potential/exports.

As such, all interested may avail this unique & vital opportunity in Pakistan as the most potential destination in the World for participation for the best return on their investment/joint ventures/collaborations.



### Italian footwear machine manufacturers shows interest in technology transfer in Pakistan

Italian footwear machine manufacturers have shown keen interest in technology transfer in Pakistan and established industry for this purpose. Besides, the Chinese footwear component manufacturers invited Pakistani counterparts to visit China to explore joint venture opportunities in this segment. These developments occurred during the three days 8th Pakistan Mega Leather Show (PMLS), which concluded at the Lahore Expo Center on other days. This year the PMLS was a successful event as over 200 exhibitors participated while many visitors visited.

The Pakistan Footwear Manufacturers Association (PFMA) offered to link all industries with Italian footwear machinery manufacturers for technology transfers in Pakistan. This



will be a win-win for Italian machinery manufacturers and the Pakistani footwear industry.

The PFMA also briefed about the Special Economic Zones being established and available for the foreign and local investors where the government is offering good incentives, including tax holidays and others; the Italians showed keen interest in establishing their machine manufacturing industry there.

The PFMA also offered the Italian machine manufacturers further collaborations with the government authorities in case they invested in Pakistan.

Furthermore, two technical workshops were organized for the industry with Italian industry experts.

These workshops were conducted by Italian designers and attended by the designers of almost all top local brands. The workshop participants appreciated the knowledge the Italians

imparted to the locals.

First-time Expo Riva Schuh, Riva Del Garda, Italy, the world's largest shoe expo delegation led by its Chairman/CEO Roberto Pellegrini, attended the PMLS and participated in different activities. Besides, the delegation also visited the Pakistani footwear manufacturers' factories and held meetings with potential exporters of shoes from Pakistan. The delegation of Italy termed Pakistani products a true product for European Markets.

Expo Riva Schuh also signed an MOU with the PFMA under which a three years special incentivize package is given to the Pakistani footwear manufacturers to attend the world's largest shoe expos in Italy to display Pakistani products to European buyers. They will ensure the Pakistani footwear industry's visibility to Europe, especially Italy.

In the opening, CEO TDAP Zubair Motiwala assured the leather sector of incentivizing the exporters to attend the international expos. Besides, he also assured the industry release of EDF for the research and development of the leather sector of Pakistan.

### Footwear industry can increase exports to \$5bn by 2027: PFMA

Pakistan's footwear industry is in a position to increase its exports to \$5 billion by 2027, said Pakistan Footwear Manufacturers Association (PFMA) Chairman Mansoor Ehsan. We are hopeful that we will achieve this target by 2027, by adding more export markets like China," he emphasised.

In an interview with local media, Ehsan said that footwear industry should focus on forming joint ventures with Chinese manufacturers in order to take advantage of the opportunity created by increasing labour wages in China.

Collaboration with Chinese shoemakers is expected to help the domestic industry access new technology and improve labour skills, as well as boost exports.

He said our industry wants to collaborate with Chinese manufacturers and establish joint ventures with them in the proposed economic zones to be created along the China Pakistan Economic Corridor

(CPEC). This is because the move can help us boost exports and improve labour skills and productivity. He underlined that the industry was probably the only sector which had reduced its import share drastically in the past three years.

Mansoor Ehsan further said excellence would be ensured in all departments of the country's footwear sector to ensure quality in shoe production and to compete at the global level. He vowed to develop horizontal and vertical linkages to support the sector.

PFMA chairman pledged to continue ongoing projects related to the footwear sector and asserted that efforts would be made for future progress and prosperity of the footwear sector.

"All the possible avenues will be explored for joint ventures with the international footwear companies besides focusing on the skill development of workers and managers for the collective good of the sector." Ehsan apprised that steps would be put in place to engage government



departments for an enabling environment to serve for the benefit of exporters, manufacturers, component supplies, large, medium and small industries of footwear along with mutual interest of small and medium sized enterprises.

While talking about the association, Ehsan said that since its inception in 1983, PFMA is an association dedicated to promoting and enhancing the growth and development of the footwear industry in Pakistan. He also said that the primary objective of the association is to facilitate association members in liaising with government bodies in enhancing productivity and skill development.

*Courtesy - Business Recorder*



# STEEL & ALLIED INDUSTRY

## FF Steel celebrates Chinese New Year

FF Steel, a leading and fastest growing steel manufacturing company in Pakistan, marked the Chinese New Year in the presence of top-level management from Chinese enterprises working in Pakistan on CPEC and other infrastructure projects.

A press release issued recently stated that a function was held at a local hotel in Islamabad to serve as an important and effective platform for strengthening business ties of FF Steel with major business enterprises of

China. The participants appreciated FF Steel for holding such an event on the eve of Chinese New Year.

The Chairman, FF Steel, Senator Nauman Wazir while acknowledging the efforts of Chinese investors and teams, said that Pakistan was passing through tough times and it was imperative to work as a team for bringing great results not only for Pakistani enterprises but also for Chinese businesses, adding that Pak-China friendship was time tested and it was our duty to further strengthen it.

He highlighted that CPEC projects



were game changer for Pakistan and FF Steel was delighted to be a part of the construction projects.

## ABAD demands barter-import of construction materials

Association of Builders and Developers of Pakistan (ABAD) recently stressed upon the need of barter import with neighbouring countries to mitigate the impact of all-time high prices of iron and steel.

Chairman ABAD Altaf Tai said that builders and developers have closed their projects due to ever high prices of construction materials, suggesting the government to allow import of

construction materials from neighbouring countries on the basis of barter to defuse current situation.



He warned the government of moving investments to other countries, saying that if the government didn't defuse the situation, builders and developers will have no other option but to move their investments to other countries, which he believed will be detrimental to Pakistan's economy.

Altaf Tai said that the construction industry is given special attention all over the world to balance the economy because of over 70 allied industries; however, no such attention is given to the construction industry in Pakistan.

## Costly building materials hit construction activities in 2022

The prices of cement and steel — the two key building materials — have jumped 41 per cent and 16pc,



respectively, pushing up the cost which resulted in a construction slowdown in the calendar 2022.

The 50-kg cement bag rate rose to Rs1,043 from Rs738 on Dec 30, 2021 while per tonne steel bar prices increased to Rs224,500-225,500 from Rs194,500-197,500 a year ago.

Steel bars, which hold a 40-45pc share in the total cost of construction of a high-rise project, hit an all-time high at Rs235,000 per tonne in June 2022. The massive rise in cement and steel bars has jacked up the construction cost of hi-rises and housing projects.

"This is a cost-push price increase in cement rather than demand-pull because of thin construction activities due to ongoing winter and post-floods situation," a cement maker said, attributing the price hike to rising coal prices, power and diesel rates and general inflationary trend.

On plummeting cement exports, he said, shipments to Sri Lanka and Bangladesh had been on a downward trajectory.

*Abstract ~ DAWN*

## PALSP urges govt to appoint chief of PSQCA

Pakistan Association of Large Steel Producers (PALSP) has urged upon the government to appoint a full-time Director General of the Pakistan Standards and Quality Control

Authority (PSQCA). According to a presentation of the PALSP to different government organizations for the last one year, the government has not appointed a full-time DG of PSQCA to steer the organisation effectively.

For the efficiency and proper functionality of PSQCA a full-time

capable Head/DG is mandatory, to take responsibility of the organization and take urgent needful measure to enforce the PSQCA Standards and Laws/Act in letter & spirit and put a permanent stop to the production and distribution of substandard steel products.



# CEMENT INDUSTRY

## Power Cement to use local Thar coal

Sindh Engro Coal Mining Co (SECMC) and Power Cement have signed a memorandum of understanding (MoU) for a trial run of Thar coal for cement production in Power Cement's plant at Nooriabad Industrial Area, Kalo Kohar District, Jamshoroo, Sindh, Pakistan. The MoU was signed by Sindh Engro Coal Mining Co CEO, Amir Iqbal, and Power Cement CEO, Kashif Habib.

Under the MoU, Power Cement will conduct a trial run of Thar coal for cement production in its kilns which will help the company offset its demand for imported coal. Commenting on this development, Mr Iqbal said that Thar coal could reduce the short- and



long-term economic crisis gripping the country.

He said that blending up to 20 per cent of Thar coal for the cement-making process has been carried out by other cement companies also with excellent results. "Blending of Thar coal will help cement companies to contain rising costs of their inputs as coal is an important raw material for cement production. It will also help reduce the pressure on foreign exchange reserves for importing coal

for the country at large."

Kashif Habib, CEO of Power Cement, said that due to the increase in the price of global commodities and the country's tough economic conditions, the cement sector, like other industries, is also affected. Importing raw materials such as coal increases our cost of production, whereas utilising indigenous resources enables us to be competitive locally and internationally.

According to estimates by experts, 5Mt of coal per year will be required to blend up to 20 per cent of Thar Coal in the cement industry. This will save a substantial amount of foreign exchange reserves for the country and again prove that Thar Coal is the game changer for Pakistan.

## DGKC ships second consignment to US

DG Khan Cement Company shipped a second consignment of 37,500 tonnes of cement to the United States on vessel Abu Al-Abyad which left for Houston, Texas recently.

For the first time in its history, Pakistan exported the first shipment of 50,000 tonnes in June last year after DG Khan secured an export order of 600,000 tonnes of low alkali cement to the US per year.

Talking to media persons recently, DGKCC Executive Director Farid Fazal said Pakistan was one of 25 countries exporting cement to the US. He said the third consignment would leave next month. Pakistan may get 10-15pc share in the US market due to the good quality of cement.

The company is in talks with buyers from London, France, and Germany and soon the company would be entering the

European market after getting CE certification.

"We have lots of surplus cement and as the supply is much greater than the demand, manufacturers are not utilizing their full capacity, hence we need to explore new markets," he said.

He added that the country needs to expand its exports to big markets like the USA as the demand for construction materials in the USA



has increased manifold with buyers looking for new sources of supply following President Biden's \$6 trillion

infrastructure package in which all mega infrastructure projects including freeways, bridges and roads would be rebuilt or given facelifts as some of these were constructed almost a century ago.

"It took us 12 months to get the technical certifications for supply of cement to the markets in USA from TXDOT, NCDOT, SCDOT and LODOT," said Farid.

## Implementation of track and trace system delayed

The implementation of the track and trace system at the cement manufacturers has been delayed for the next few months till all equipment, specifically applicators are become operational at the manufacturing premises.

According to local media, the track and trace system has become operational at the fertiliser units, but it has less significance due to sales tax exemption on fertilisers. On the other hand, the applicators are needed to be installed at cement manufacturing plants. Once the applicators are installed, the system of track and trace would become fully operational.



According to sources, the system is expected to become fully functional at the cement plants by the end of the current quarter (January-March) 2022-23. The deadline for the implementation of the track and trace system was July 1, 2022, for the cement sector. The system will result in digital monitoring of the large-scale manufacturing and production of these key sectors. Besides, preventing revenue leakages, it will help in minimising human intervention and thus pave the way for a transparent and reliable tax compliance system across the country, they added.



## Bestway Foundation establishes Rs60m scholarship endowment fund

In a simple ceremony held at Islamabad, Bestway Foundation and NAMAL University signed an agreement to establish Bestway Scholarship Endowment Fund of Rs 60 million for the benefit of financially challenged students enrolled at the University's undergraduate programs. The scholarships will be given to twenty student beneficiaries, primarily covering their fee expenses every year.

Speaking on the occasion, Irfan Sheikh, Trustee Bestway Foundation

and Managing Director, Bestway Cement Limited said, "Higher education is essential for building a stronger Pakistan, whereas many talented and well deserving youth is unable to continue their education due to lack of sufficient financial resources.

Bestway Foundation, in keeping with its resolve to support deserving students, decided to set up an endowment fund with NAMAL to provide financial assistance to the students applying in undergraduate degree program in either of the disciplines of Computer Sciences,



Electrical Engineering, Mathematics and BBA. The Foundation has already established similar endowment funds with Lahore University of Management Sciences (LUMS) and National University of Sciences & Technology (NUST)."

## Lucky Cement reports an increase in profit by 23 per cent in 1H FY 21-22

Pakistan cement producer Lucky Cement Limited (LUCK) has announced its financial results for the half-year ending December 31, 2022. It reported a profit after tax of PKR7.128bn compared to PKR5.744bn earned in the corresponding period last year. This reflects a growth of 23 per cent on a YoY basis. According to the company's notification to the Pakistan Stock Exchange (PSX), its sales increased by 21 per cent to PKR45.333bn from PKR37.549bn during the same period last year. It incurred a distribution cost of PKR2.56bn against PKR2.33bn in the previous fiscal period. The administrative expenses rose to PKR 916m from PKR709m during this period. No dividend was announced by the Company's Board of Directors in their meeting on January 27, 2023.

### Other information:

- According to AHL Research, Lucky's brownfield cement expansion of 3.15Mta at Pezu achieved COD in Dec'22, taking the company's total capacity to 15Mta.
- A 34MW solar power project was also commissioned at Pezu in Dec'22. While LUCK's 25.3MW solar power project at its Karachi plant has completed commercial negotiations and is expected to come online in 2QFY24.
- Plant availability of Lucky Electric Power Company Limited in 1H FY23 improved to 92.0 per cent (aimed at 100 per cent going forward) vs 78.4 per cent last year, as management took remedial actions to resolve initial teething issues. The company also observed its first



maintenance shutdown during the quarter, while the average fuel cost of electricity arrived at PKR 15.16/KWh, the cheapest in the country.

- Demand in Iraq and Congo remained robust despite global challenges. The company's subsidiary in Najmat-Al-Samawah (Iraq) switched to natural gas from furnace oil to fire its kiln, which aided the venture's profitability.
- Volumes from the auto and phone business continued to decline due to a slowdown in demand and LC opening issues, curtailing the availability of raw materials. The company focuses on implementing cost-saving measures and improving localization to shield its profitability.
- The company's chemical subsidiary, Lucky Core Industries, submitted a bid to acquire 75.01 per cent of Lotte Chemical Pakistan Limited shares. After signing a share purchase agreement, the transaction is subject to approval from the Competition Commission of Pakistan.
- For the Polyester, Soda Ash and Chemicals segment, the management views further threats to demand in upcoming quarters emanating from high inflationary pressure amid high energy prices, imposition of additional taxes, monetary tightening, and compressed govt spending.
- The company's buyback of 10m shares at spot prices is underway until 27th Mar'23. By the end of the Dec'22 quarter, 3.6m shares had been purchased from the market. The company will then cancel the shares purchased, improving earnings per share.

## Bestway Cement completes brownfield line in Punjab

General Counsel and Company Secretary of Bestway Cement Limited (BWCL) Hassan Niazi informed Pakistan Stock Exchange (PSX) recently that Company has completed the construction and installation of a brownfield line at its Hattar Plant in Punjab.

The bourse filing adds that Hattar Line-II has a clinker capacity of 7,200tpd, and the new production line commenced cement production on 17th February 2023.



A last quarter report adds that the work on the company's greenfield cement plant of 7,200tpd of clinker, along with a 9 MW Waste Heat Recovery Power Plant near Paikhel, District Mianwali, underway and it was slated that the plant will be operational by the end of December 2022. A formal completion is yet to be announced.

With these expansions, the post-expansion capacity will stand at 15.2Mta.

The additional solar capacity of 54MW at all plants will be energized by April 2023, increasing its total capacity to 111MW. Solar power generation has reduced the company's reliance on the national grid. Moreover, it has enabled the company to reduce its carbon footprint by more than 3.5Mt of CO2 emissions over the project's life, equal to a plantation of approximately 5.5m trees.



### Pakistan's cement industry sees a negative trend in export 7MFY23

Pakistan's cement industry saw a negative trend in export revenue on overseas dispatches in the 7MFY23 (July-January 2023), according to the country's Federal Bureau of Statistics (FBS). The looming country's political and economic uncertainty, high cost of doing business and slowed world economy have impacted overseas dispatches, an industry estimated.

However, according to AKD Research, if coal prices further move down to US\$120/t, exports are expected to increase as export prices become much more viable in the coming months.

During the 7MFY22-23, the cement industry earned US\$100.63m by exporting 2.061Mt of cement and clinker, compared with US\$160.92m from 4.315Mt exports in the 7MFY22. As a result, exports plummeted by 37.47 per cent in value, and volumes were down by 52.23 per cent. In local currency terms, export sales receded by 22.34 per cent YoY to PKR17.57bn, FBS added.

On a positive note, during January 2023 alone, export revenues increased to US\$15.02m on shipments of 348,426t versus US\$8.732m on 165,791t in December 2022. This translates to



an MoM growth of 72.07 and 110.16 per cent in value and volume terms, respectively. But, YoY exports decreased by 12.44 per cent in value and by 11.48 per cent in quantity when considering export figures of US\$17.15m on 393,607t in January 2022.

### Three cement firms earn profit deposit challenges in 1HFY23

Pakistan's three cement factories post a profit in operation between July and December of FY2023. However, double-digit inflation, a hike in interest rates, and a sharp devaluation of the Pak Rupee have dampened the cement demand. Low GDP growth, high cost of construction materials and cut in PSDP saw cement dispatches decline by 21 per cent year on year in 1st half of FY 2023. These companies announced no dividends.

#### Fauji Cement

Fauji Cement Company Limited (FCCL) earned a profit of PKR5.079bn in 1HFY23 compared to PKR 3.787bn earned in the year's corresponding period. This reflects a growth of 34.12 per cent on a YoY basis. Its sales increased by 32.87 per cent to PKR 33.673bn from PKR 25.346bn during the same period last year. It incurred distribution expenses of PKR 266m against PKR 270m in the

previous financial period. The administrative expenses rose to PKR 751m from PKR695m during this period.

Meanwhile, the company's brownfield cement expansion of 1.95Mt at Nizampur achieved COD in Oct'22, taking the total capacity of the company (Fauji + Askari) to over 8Mta. It is now the third-largest player in the country.

However, the Greenfield expansion at DG Khan cement (2.05 Mt) is expected to come online by the end of this year. The company's solar power capacity is now 29MW (8.6MW added at the Wah site) and will increase to 40MW as another 11MW comes online at the Nizampur site.

#### Cherat Cement

Cherat Cement Company Limited (CHCC) reported a profit of PKR 3.038bn in 1HFY23 against PKR 2.369bn earned in the corresponding period last year. This reflects a growth of 28.24 per

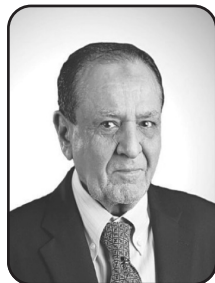
cent on a YoY basis. Its sales increased by 31.68 per cent to PKR 19.457bn from PKR 14.778bn during the same period last year. It incurred higher distribution expenses of PKR 274mm against PKR 242m in the previous financial period. The administrative expenses jumped to PKR 208m from PKR167m during this period.

#### Kohat Cement

Kohat Cement Company Limited (KOHCC) has reported a profit after tax of PKR 3.739bn in 1HFY23 compared to PKR 2.984bn earned in the corresponding period last year – up by 25.30 per cent YoY. The major factor responsible for this increase was the increase in sales, which increased by 31.97 per cent to PKR 19.814bn from PKR 15.014bn during this period. It incurred a distribution cost of PKR 74m against PKR 52m in 1HFY 21-22. The administrative expenses stood at PKR 195m compared to PKR 175m in the year's corresponding period.

*Courtesy - CemNet*

### Obituary: Chairman Lucky Cement passes away



*The Chairman of Pakistan's largest cement producer, Lucky Cement Ltd, Muhammad Yunus Tabba, expired recently peacefully, according to a family announcement*

*of the Company through local media. The CEO of Lucky Cement, Mohammed Ali Tabba, is the nephew*

*of the late Muhammad Yunus.*

*Lucky Cement is one of Pakistan's largest producers and leading exporters of quality cement. The Company's total production capacity (including northern and southern plants) has increased to 15.3Mta from the previous figure of 12.15Mta.*

*Last month, in a regulatory filing, GM Finance and Company Secretary, Faisal Mahmood, said the new line is operational, and clinker production commenced on 22 December 2022. The Company has also issued Global Depository Receipts (GDRs), listed and traded on the Professional*

*Securities Market of the London Stock Exchange.*

*Over the years, the Company has grown substantially. It is expanding its business operations with production facilities at strategic locations in Karachi to cater to the Southern regions and Peshawar, Khyber Pakhtunkhwa, to furnish the country's Northern areas.*

*Lucky Cement is Pakistan's first Company to export sizeable quantities of loose cement, being the only cement manufacturer with its loading and storage terminal at Karachi Port.*

## Local dispatches rise, but exports fall in January 2023

Pakistan's total cement industry dispatches increased by 1.15 per cent in January 2023 to 4.005Mt from 3.960Mt despatched during the same month of last fiscal year. The figures translate to local cement dispatches 3.587Mt compared to 3.409Mt during this period, showing an increase of 5.24 per cent. However, exports despatches declined by 24.13 per cent as the volumes reduced from 551,006t in January 2022 to 418,067t in January 2023, says data released by According to the data released by All Pakistan Cement Manufacturers Association (APCMA).

Moving forward, the management of Lucky Cement expects the local demand will continue its downward trajectory, with sales expected to decline by ~18-19 per cent for the full year. Demand recovery may be expected once interest rates start tapering off. Furthermore, exports may increase further if the coal price falls to US\$120/t (current: ~US\$147/t). Topline Securities believed exports during Jan-2023 were down due to the global economic slowdown, higher interest rates and unfavourable export pricing.

AHL Research taking stock of the situation stated that the utilisation of the industry dropped to just 60.21 per cent in Jan'23 amid the addition of new plants coupled with the slowdown in demand.

### Month on Month dispatches

In January 2023, North-based cement mills despatched 2.892Mt cement showing an increase of 6.08 per cent against 2.726Mt despatches in January

2022. South-based mills despatched 1.113Mt cement during January 2023, which was 9.74 per cent less compared to the despatches of 1.234Mt during January 2022.

North-based cement mills despatched 2.857Mt of cement in domestic markets in January 2023, showing an increase of 5.32 per cent against 2.712Mt despatches in January 2022. South-based mills despatched 730,703t of cement in local markets during January 2023, which was 4.92 per cent more than the despatches of 696,468t in January 2022.

Exports from North-based mills increased by 156.54 per cent as the quantities have risen from 13,727t in January 2022 to 35,215t in January 2023. Exports from the South reduced by 28.74 per cent to 382,852t in January 2023 from 537,279t during the same month last year.

### Cumulative dispatches

During 7MFY23 (July - Jan), total cement dispatches (domestic and exports) were 25.769Mt, which is 17.97 per cent lower than 31.416Mt despatched during the corresponding period of the last fiscal year. Domestic despatches during this period were 23.617Mt against 27.474Mt during the same period the previous year, showing a reduction of 14.04 per cent. Export despatches were also 45.40 per cent less as the volumes reduced to 2.152Mt during the first seven months of the current fiscal year compared to 3.942Mt exports during the same period of last fiscal year.

North-based Mills despatched 19.378Mt cement domestically during 7MFY23, showing a reduction of 15.29 per cent to cement despatches of 22.875Mt during the July 2021-January



2022 period. Exports from the North increased by 9.98 per cent to 613,289t during July 2022-January 2023, compared with 557,615t exported during the same period last year. Total despatches by North-based Mills reduced by 14.69 per cent to 19.992Mt during the first seven months of the current financial year from 23.433Mt during the same period of the last financial year.

Domestic dispatches by South-based Mills during July 2022-January 2023 period were 4.239Mt showing a reduction of 7.83 per cent over 4.599Mt cement despatched during the same period of last fiscal year. Exports from the South declined by 54.53 per cent to 1.539Mt during July 2022-January 2023, compared with 3.384Mt exported during the previous year. Total despatches by the South-based Mills reduced by 27.63 per cent to 5.778Mt during the first seven months of the current financial year from 7.983Mt during the same period of the last financial year.

### APCMA remarks on cement dispatches

A spokesman of the APCMA emphasised the continued political instability over the last many months and its serious effects on the economy. He mentioned that we are facing several challenges due to the non-opening of letters of credit for coal, spare parts and other consumable items required for the smooth running of the plants. Many containers laden with cement industry imported items have been stuck up at ports for want of letters of credit. Government must ensure that letters of credit are opened on a timely basis to avoid any supply disruptions and closure of factories.







# PEOPLE & EVENTS

## Mohsin Naqvi takes up Punjab reins as caretaker CM

Punjab Governor Baligh-ur-Rehman administered the oath to Mr Naqvi, a senior journalist and owner of some private TV channels, at the Governor House, after the ECP picked his name from among the four nominees of the PTI and PML-N, which had failed to agree on any of them.

A notification issued by the ECP regarding the appointment stated: "Pursuant to the proviso of Clause (3) of Article 224-A of the Constitution of the Islamic Republic

of Pakistan and as a result of detailed deliberations made on 22nd January, 2023, the Election Commission of Pakistan has unanimously decided to appoint Syed Mohsin Raza Naqvi as caretaker Chief Minister, Punjab with immediate effect."



## Hamdard Pakistan signs agreement with Gennec Health

Hamdard Pakistan (HP) has reached an agreement with Gennec Health Sciences Pvt. Ltd, to manufacture some of its leading products in Gennec's manufacturing unit.

In an auspicious contract signing ceremony, held recently at Hamdard Corporate Head Office, Dr Arshad Saleem - Chief Operating Officer - HP, termed the agreement as a milestone for the growth and development of the health sector of Pakistan. The event was attended by the Directors and senior staff of both organisations in a large number.

Dr Arshad Saleem further said: "Promotion of wellness and wellbeing in society and the growth and development of the country's health sector are among the core values and objectives of HP. In line with the founder Shaheed Hakim Mohammed Said's vision and in pursuit of his

guidelines with untiring efforts, HP has emerged as an industrial standard for Eastern medicine manufacturing in the country."

Later after signing the agreement, Dr Arshad Saleem presented a memento to Abdul Jabbar CEO Gennec on behalf of HP. Since Hamdard is an environmentally conscious



company, it took a novel initiative to commemorate the signing ceremony. The distinguished guests were asked to sow plants in pots, which they also watered. These plants will be planted in one of the many gardens managed by HP. The guests highly appreciated this initiative of HP and announced they would emulate this practice.

## Hamdard news

Fatema Munir Ahmed, the managing director and CEO of Hamdard Pakistan, is presenting a memento to Imran Baxamoosa, the CEO of Blue-EX, at a ceremony during which a contract was signed for strengthening Hamdard's E-commerce

platforms and logistics. Dr Arshad Saleem, the COO of Hamdard Pakistan, and senior officials of Blue-EX are also present on the occasion.



## Wathra appointed Chairman of NBP's BoD



The federal government has appointed former governor State Bank of Pakistan (SBP) Ashraf Mahmood Wathra as Chairman of the board of directors of the National Bank of Pakistan (NBP) for a term of three years. The government also appointed Nasim Ahmed and Ali Syed as Directors of the Board of Directors of the NBP.

## Appointment of Ali Latif as non-executive Director on SBP's board approved



President Dr Arif Alvi approved the appointment of Muhammad Ali Latif as a non-executive director on the board of the State Bank of Pakistan. According to a statement issued by the Press Wing of the Presidency recently, the President has approved the appointment under Section 11A of the State Bank of Pakistan Act, 1956.

## Elahi to be new AGP



The Federal government has appointed Barrister Shehzad Ata Elahi, a young lawyer from Lahore, as the 37th Attorney General for Pakistan (AGP). Barrister Elahi is a grandson of former president Fazal Elahi Chaudhry, who served as the country's head of state from 1973 to 1978.

Barrister Elahi works for Cornelius, Lane & Mufti, a law firm in which distinguished lawyers Hamid Khan and Salman Aslam Butt were partners. Born on March 24, 1977, Barrister Elahi attended King's College London from 1996 to 1999. After getting an LL.B. (Hons) degree, he was enrolled as a high court lawyer in 2003 and as a Supreme Court lawyer in 2015.



## Murad administers oath to new Arts Council body



Sindh Chief Minister Syed Murad Ali Shah administered the oath to the newly elected governing body of the Arts Council of Pakistan Karachi recently.

On the occasion, the CM inaugurated five different venues of the Arts Council — Studio I, Studio II, Josh Malihabadi Library, Ahmed Parvez Art Gallery and Cafe D' Art — and said that his government would continue to

support the council.

The Arts Council Karachi has played a big role in restoring the splendour of the city, he said, adding that it was a pleasure to see a very big library named after renowned poet Josh Malihabadi.

Speaking on the occasion, Sindh Education and Culture Minister Syed Sardar Ali Shah said that the Arts Council had become the cultural hub of Pakistan from where the message of love was being spread across and outside the country.

He said that Arts Councils were being established across Sindh on the pattern of the Arts Council Karachi.

Arts Council President Ahmad Shah appreciated CM Shah and the Pakistan Peoples Party for supporting the council that had become the biggest

centre of art and culture in the country.

He announced that the Pakistan Literature Festival would be held in Lahore from Feb 10-12, after which it will be held in Gwadar and other cities of Pakistan.

Those who took oath as office-bearers are Ahmad Shah (president), Munawar Saeed (vice president), Ejaz Farooqui (secretary), Noor-ul-Huda Shah (joint secretary) and Qudsia Akbar (treasurer).

Members of the governing body are Ghazi Salahuddin, Dr Jafar Ahmed, Shahnaz Wazir Ali, Nusrat Haris, Amjad Siraj Memon, Akhlaq Ahmed, Syed Shehzad Raza Naqvi, Dr Huma Mir, Dr Ayoub Sheikh, Saadat Jafri, Farrukh Shahab, Chand Gul Shah, Najia Ashar, Ambareen Haseeb Ambar, Dr Qaiser Sajjad and Asjad Bukhari.

## Office-bearers of ICAP elected for 2023-2024

The Council of the Institute of Chartered Accountants of Pakistan (ICAP) unanimously elected its new office-bearers for the year 2023-2024 in its 365th meeting held in Karachi recently. The Council unanimously elected M Ali Latif as President of the Institute, Arslan Khalid and Asad Feroze as Vice Presidents.

M Ali Latif is a Fellow Member (FCA) of the Institute of Chartered Accountants of Pakistan (ICAP). He is a 2nd



generation Chartered Accountant and son of a well-known practicing chartered accountant, M.T.K Rehmani (late) – who practiced under the name & style of “M/s Rehmani & Co., Chartered Accountants”.

He has more than 20 years of experience in the accounting and audit profession and is responsible for managing a wide ranging portfolio of clients across different economic sectors. He is currently working as Partner in “M/s Muniff Ziauddin & Co., Chartered Accountants – (Representing BKR International).

## ICI Pakistan now to be known as Lucky Core Industries Ltd

ICI Pakistan Limited has changed to ‘Lucky Core Industries Limited’ as disclosed to the Pakistan Stock Exchange on December 23. Drawing on its core strengths, the Company's new name embodies its central role in Delivering Enduring Value through a diverse portfolio of essential products that are at the ‘core’ of almost every industry and a part of every home in Pakistan.

Transitioning to its new identity, ‘Lucky Core Industries’, further aligns the organisation with its holding company, Lucky Cement Limited – a part of the YBG – a progressive and diversified Pakistani conglomerate.



“As Lucky Core Industries Limited, we continue to maintain our commitment to our customers and partners as our highest priority, with core values of Customer Centricity, Integrity and Responsibility, and Delivering Enduring Value at the forefront of its operations,” said Chief Executive Lucky Core Industries Limited, Asif Jooma.

## Malik Junaid appointed CG of Angola

Malik Junaid Imam, Director of Popular Group of Industries has been appointed honorary Consul of the Republic of Angola in Karachi.

According to the notification issued by the President house, the government of Angola appointed Malik Junaid Imam as Honorary Consul in Karachi with consular jurisdiction over the Sindh province of Pakistan.

The notification is signed by President Arif Alvi and Foreign Minister Bilawal Bhutto Zardari.

Malik Junaid Imam is son of the Senator Emam Deen Shogeen from Pakistan People's Party.

## Diplomatic news



On occasion of the ceremony organized by the Pakistan Japan Business Forum, the Japanese Consul General, on behalf of the Government of Japan, is conferring The Order of the Rising Sun, Gold Rays with Neck Ribbon upon the Pak Japan Business Forum Chairman, Mr. Kalim Farooqui.

# TELECOMMUNICATION NEWS

## Envoy calls for enhancing cooperation between Pakistan, US

US Ambassador to Pakistan Donald Blome has emphasised upon increasing cooperation in information technology and telecom sector between the US and Pakistan. The US Ambassador called on Federal Minister for IT and Telecommunication Syed Aminul Haque, recently.



Talking to the US Ambassador, Federal Minister for IT Haque said there were numerous opportunities for the US tech companies in the IT and Telecom sector of Pakistan. He said that there

was a dire need of enhancing Pak-US cooperation in the IT and telecom sector besides boosting business ties.

He noted that work was underway over 70 connectivity projects worth Rs 65 billion for ensuring connectivity across the country.

Haque said that Personal Data Protection Bill and Social Media Rules are business-friendly, adding that both the bills will be forwarded to relevant forums for approval within three to four weeks.

US Ambassador Blome said that Pakistan was getting an important place in the technology world. He also emphasised increasing cooperation in IT and telecom sector between the two countries. Member IT Syed Junaid Imam and DG International Coordination Sayed Jawwad Ali were also present.

## PTCL Group achieves double-digit revenue growth

The PTCL Group has achieved double-digit revenue growth of 10.2 percent to Rs151.6 billion, mainly driven by strong performance in the consumer segment led by fixed broadband, mobile data, and wholesale and business solutions, along with microfinance services during the calendar year 2022.

Pakistan Telecommunication Company Limited (PTCL) posted 8.6 percent growth in its revenues, owing

to its strong performance in both retail and business segments, whereas, Ufone achieved 7.1 percent growth in its revenues. The Group's subsidiary, U Microfinance Bank, kept a strong momentum and posted 35.4 percent revenue growth during 2022.



The company announced its annual financial results for the year 2022 at its Board of Directors' meeting held in Islamabad, and later shared with media.

## Pakistan imports \$414.801m mobile phones in 7MFY23

Pakistan imported mobile phones worth \$414.801 million during the first seven months (July-January) of current fiscal year 2022-23, registering a negative growth of 67.35 percent when compared to \$1.270 billion during the same period last year.

Pakistan Bureau of Statistics (PBS) data shows that on a month-on-month (MoM) basis mobile phone imports registered 28.12 percent growth and stood at \$51.960 million in January

2023 when compared to \$72.291 million in December 2022.

Mobile phone imports registered 71.10 percent negative growth on a year-on-year (YoY) basis in January 2023 when compared to \$179.765 million during the same month of last year.



## Country ready for 5G after high 4G penetration: minister

Federal Minister for IT and Telecommunication Syed Aminul Haque said that 4G penetration in Pakistan has crossed 57 percent indicating that the country is ready to launch 5G at least in selected cities.

Responding to media, queries the Minister said, "I will try to launch 5G as soon as possible with upgraded quality of services benchmarks."

Earlier, the Minister said the first priority of the Ministry of IT was to increase the reach of 4G technology in the country. The federal minister for IT was talking to a delegation of Etisalat International led by CEO Mikhail Gerchuk, recently.



The delegation comprised Abdulrahim Al Nooryani, CEO Etisalat Pakistan, Hatem Bamatraf, President and CEO PTCL and Ufone, and Naveed Butt, Chief Regulatory Officer. Additional Secretary (Incharge) Ministry of IT Mohsin Mushtaq was also present. Matters related to connectivity, 5G technology and telecom sector were discussed during the meeting.

The federal minister for IT said the future of technology in Pakistan was linked to introducing 5G technology. He said the Ministry of IT was extending full support to telecom companies.

He urged the telecom companies to play their role for bringing modern technology in Pakistan. He said that every possible steps were being taken to make 5G business friendly.



## Huawei launches the first-ever smart village in Gokina

In line with the Government's Digital Pakistan vision and the UN SDGs, Smart Village Pakistan aims to digitally transform remote and rural communities with Internet connectivity and empower residents to access various digital services to improve their quality of life and well-

being. It gives me great pleasure to announce that Pakistan is the first country to establish a Smart Village in the Asia Pacific region." - Federal Minister for IT & Telecommunication (MoITT), Syed Aminul Haque said while addressing as Chief Guest at the Inauguration ceremony of Gokina Smart Village Project in Islamabad, recently.



## Jazz enables TCF to impart digital-age skills to over 250,000 students

Jazz, Pakistan's leading digital operator and a part of VEON Group, is digitally enabling The Citizens Foundation (TCF) to implement tech-enabled learning across 1,800 TCF schools and ensuring an advanced learning experience for over 250,000 students nationwide.

As part of this initiative, 23 computer labs have already been revamped, and a school management app has been introduced in all TCF schools, offering efficiency, transparency, and accuracy of data collection and management for all students, faculty, and non-faculty employees.



The blended learning solution for primary students is an innovative approach that combines online and offline education to provide a more interactive and engaging learning experience, while the computer curriculum under DLP (Digital Literacy Program) for grades 6-8 is specifically designed to equip students with digital-age skills.

The digitization initiative also facilitated the translation of books and learning materials for grades 6

and 7 into Urdu, creating a bilingual curriculum, along with a scripted bilingual lesson plan. In addition, 700 Android phones were delivered to schools across the entire TCF network, which aided in implementation of blended learning program.

Commenting on the initiative, Jazz CEO Aamir Ibrahim said, "We are proud to have collaborated with TCF on this important initiative to digitize schools and provide students with access to the latest technology. Driven by the impetus to digitally empower youth and to assist the Government of Pakistan in realizing its Digital Pakistan vision, Jazz continues to club its resources and expertise in creating long-term, sustainable solutions and partnerships that uplift individuals and the larger community."

Additionally, the female teacher training program is a crucial part of the grant as it will digitally empower women to take on more leadership roles and optimize their performance, which has been a key focus area for Jazz toward building an integrated and equitable society.

Jazz has consistently been at the front of youth and women empowerment programs, and this partnership with TCF is another milestone in that journey. Through this initiative, Jazz delivers on United Nations Sustainable Development Goals (SDGs) 4 - Quality Education; 5 - Gender Equality; 9 - Industry, Innovation and Infrastructure; and 10 - Reduced Inequalities.

## Zong enters digital payments market with 'PayMax'

Telecom operator Zong became the latest entrant to the digital payment-solutions market with the launch of 'PayMax', recently.

PayMax has been launched by Electronic Commerce Company Limited (ECCL), a fully-owned subsidiary of China Mobile Pakistan (CMPAK), the parent company of Zong.

The service — which is Zong's answer to services such as JazzCash and EasyPaisa offered by other telecom providers — also plans to offer nano loans as well launch mobile handset financing in the near future.



Speaking at the launch even, ECCL CEO Syed Naveed Akhtar said that the PayMax digital financial application will be initially focusing on delivering P2P Money Transfer, utility bills payments, mobile loads, online payment gateway, and retail payments etc.

This is the second fintech product launched by Zong — it pioneered the 'Timepey Service' in the country in collaboration with Askari Bank in 2012, but the mobile-based banking solution was discontinued in 2016.

The Zong product is not backed by any bank, but is rather based on Electronic Money Institutions (EMIs) regulations issued by SBP in 2019, under the Payment Systems and Electronic Fund Transfers Act, 2007.

**ZONG 4G**  
A NEW DREAM



## First 'HABIB METRO Sirat Islamic banking summit' held

HABIBMETRO Sirat – The Islamic banking brand of HABIBMETRO Bank, organised the first HABIBMETRO Sirat Islamic banking summit which was attended by various stakeholders including SBP, PSX & SECP officials as well as CEOs and Shariah Board members of various banks, scholars and businessmen.

The summit was held in honour of the visit of HABIBMETRO Sirat's Shariah Board Chairman Tan Sri Dr Daud Bakar, a globally renowned Malaysian Shariah scholar and award-winning author. Dr Daud is the Founder & Group Chairman of Amanie Group and is a Shariah Board Member of various foreign banks. He has been awarded with 'The Royal Award for Islamic Finance 2022' by the King of Malaysia.

## 'Employee Banking': NBP, KPT ink agreement

The National Bank of Pakistan (NBP) and Karachi Port Trust (KPT) have signed an agreement for "Employee Banking" for provision of banking facilities to KPT employees.



Under the aforementioned arrangement, NBP will facilitate KPT employees to meet their financial needs through provision of its wide range of assets and liabilities products under the preferred service mode. The arrangement offers concessional rates and dedicated services designed to address the financial needs of KPT employees.

The agreement was signed by Faisal Ahmed (SEVP and Group Head – Consumer Assets, NBP) and Mashoud Ahmed Jan (General Manager - Finance, KPT). Other senior executives of NBP and KPT also witnessed the

Speaking at the event, Tan Sri Dr. Daud Bakar, said, "I am extremely delighted and privileged to be here in Pakistan and to represent HABIBMETRO Bank, which has established itself as one of the most trusted financial institutions here in Pakistan, courtesy its global vision of advancing forward and playing a pivotal role in shaping the Islamic finance sector of the country."

The inaugural session of the Summit was presided by Sima Kamil, Deputy Governor, State Bank of Pakistan. During her address the Deputy Governor said, "Finance is a fundamental pre-requisite for growth of any economy and Islamic finance by virtue of its faith based nature offers inherent synergies with risk and rewards mechanisms which offer an ideal solution. Islamic finance structures are derived from Shariah,

signing ceremony.

Speaking on the occasion, Faisal termed the arrangement as mutually beneficial for both the organizations as it will further strengthen NBP's partnership with KPT. NBP is capitalizing on its large corporate relationships by offering specialized priority services and awareness sessions for the employees of large corporates like KPT to help its employees meet their personal banking/financing needs. We are bringing banking to employees' workplace for facilitation and better customer service.

NBP is presently offering a wide range of consumer financing products that inter alia include "Personal Loans", "Financing against Gold", "House Loans" and "Auto Loans". The bank holds lion's share in the category of personal loans.

Also speaking on the occasion, Mashoud said KPT had always been at the forefront to adapt to global technological advances and transformation in the ports and shipping sector. KPT considers its employees as its assets and believes investing in them to achieve its mission.



which dictates that Islamic financial transactions should be supported by underlying productive activities and emphasizes on a close relationship between financial transactions and the real economy."

Mohsin Ali Nathani, President & CEO HABIBMETRO while welcoming participation of the esteemed guests at the Banking Summit said, "We are immensely honored to have Tan Sri Dr. Daud Baker, a scholar and author of international repute, chair HABIBMETRO Sirat's Shariah Board."

## Durrani appointed as President & CEO of MCB Islamic Bank



Chairman Board of Directors MCB Islamic Bank Ltd., Raza Mansha has announced that Zargham Khan Durrani has been appointed as the new President & CEO

of MCB Islamic Bank Ltd.

Zargham Khan Durrani has an extensive banking career spanning over 27 years. Prior to joining MCB Islamic Bank, Durrani was Group Head Retail Banking (SEVP) in MCB Bank, one of the largest bank in Pakistan.

During his tenor at MCB Bank, the Retail Banking Group achieved phenomenal growth in all major KPIs including Total Deposit, Current Deposit, NTBs, BANCA, VDC, FBI, Trade & Advances.

Apart from MCB Bank, he has worked with Standard Chartered Bank, Union Bank and other financial institutions both locally and internationally.



## U Bank, Pathfinder Group team up to expand digital financial services

U Microfinance Bank (U Bank) and Pathfinder Group have entered into a strategic collaboration to utilize organisational strengths to offer digital financial services and other banking-related services to customers.

The signing ceremony took place at the Pakistan Pavilion, held on the sidelines of World Economic Forum 2023 in Davos - Switzerland, where the Memorandum of Understanding (MoU) was signed by Kabeer Naqvi, President & CEO – U Microfinance Bank and Zarrar Sehgal, Chairman – Pathfinder Group, in the presence of

Ikram Sehgal, Co-Chairman – Pathfinder Group, and other senior management members from both the organizations.

Speaking at the occasion, Kabeer Naqvi, President & CEO – U Microfinance Bank stated, “As a mission-driven bank with financial inclusion for citizens across all societal segments as our



objective, we are glad to have entered into this collaboration with Pathfinder Group. This gives us an opportunity to expand our digital outreach and bring the unbanked population into the financial ecosystem in an efficient manner.”

Zarrar Sehgal, Chairman – Pathfinder Group, shared his views on the importance of this strategic partnership agreement. He stated that such partnerships will help economically empower the masses and have a long-lasting impact on digital financial inclusion in Pakistan. Pathfinder group looks forward to working closely with U Bank to create impact and bring inclusion.

## Easypaisa launches debit card

Easypaisa has launched a Visa debit card for its customers. This card is linked directly to the customer's Easypaisa account and enables

the user to make payments at over 90,000 card-accepting Point-of-Sale merchants across the country or withdraw funds from any of the 16,000 ATMs nationwide.

It is also a contactless card using

NFC technology which enables the customer to make payments by simply tapping the card on the merchant POS.



## Mobile phone banking grows to Rs12tr

The value of mobile phone banking transactions surged by 141 per cent to Rs11.9 trillion in FY22, according to the Annual Payment Systems Report



released by the State Bank of Pakistan on Friday.

There were 15 million registered P2P (Person-to-Person) Raast users, carrying out 7.9 million transactions amounting to Rs102.1bn in value.

The report also mentions that the number of mobile phones and internet banking users reached 8.4m and 12.3m respectively during FY22.

In terms of transactions, mobile phone banking increased by 100.4pc to 387.5m, while internet banking grew by 51.7pc to 141.7m during the year.

The value of internet banking transactions grew 81.1pc to Rs10.2tr in 2021-22. E-commerce transactions also witnessed similar trends as the volume grew by 107.4pc to 45.5m and the value by 74.9pc to Rs106bn.

During FY22, a total of 32,958 POS machines were deployed which led to an expansion of its network by 45.8pc to 104,865. E-commerce merchants registered with the banks increased to 4,887 from 3,003 merchants during this period. ATMs network in the country also grew by 4.8pc during the year reaching 17,133 ATMs.

## NBP, SLIC ink accord for financial, insurance solutions

State Life Insurance Corporation of Pakistan (SLIC) and National Bank of Pakistan (NBP) signed a Memorandum of Understanding (MoU) for offering bilateral financial and insurance solutions at a ceremony held at State Life Head office.

Both the national institutions vide this MoU agreed to enter into business arrangements that includes “Employee Banking”, “Cash Management Services”, “Renaissance of Bancassurance Business” and “Individual and Group Life, Health and Savings products, etc.” The MoU was signed by Rehmat

Ali Hasnie, President & CEO, NBP and Shoaib Javed Hussain, Chairman SLIC. Other senior executives of NBP and SLIC were also present.

Under cash management, NBP through its wide range of product and services will provide SLIC the comfort to manage its liquidity effectively and efficiently. These services,

will facilitate SLIC in streamlining and digitalizing processes, optimize monitoring of funds, automate everyday task and explore opportunity for value added digital products.



### Meezan Bank announces financial results for 2022

The Board of Directors of Meezan Bank, approved the financial statements of the Bank and its consolidated financial statements for the year ended December 31, 2022. The meeting was chaired by Mr. Riyadh S.A.A. Edrees – Chairman of the Board, Mr. Faisal A. A. Al – Nassar – Vice Chairman of the Board, was also present.

The Bank's profit after tax for 2022 increased to Rs 45.0 billion compared to Rs 28.4 billion last year- a 59% growth. The Board has approved a Rs 3 per share final cash dividend for 2022. This brings the total cash dividend pay out for the year 2022 to Rs 8.50 (85%)



per share as Rs 5.50 per share i.e., 55% interim cash dividend was already paid for the nine-month period. This is in addition to 10% bonus shares issued during the year. The Bank remains adequately capitalised with a Capital Adequacy Ratio of 18.42% – well above the minimum requirement of 12.00%.

Deposits of the Bank grew by 14% to Rs 1.66 trillion. The Bank added 60 new branches to its network bringing the total to 962 branches in 317 cities along with more than 1,000 ATMs. The Bank's Mobile Banking App remains

the highest-rated Mobile App in the banking industry on both Google Play Store and Apple App Store.

Total assets of the Bank crossed Rs 2.5 trillion, registering a 35% growth. Its Gross financings grew by 31%, crossing Rs 1 trillion with Gross Advances to Deposits Ratio (ADR) of 61% vs 53% last year.

Meezan Bank remained the most valuable bank in Pakistan in terms of market capitalization amongst all the listed banks. The Bank has entity ratings at 'AAA/A-1+' (Triple A/ A-One Plus) which denotes the highest credit quality with negligible risk factors with Stable outlook assigned by VIS Credit Rating Company Limited.

### Faysal Bank Posts 67% Growth in profit

Faysal Bank Limited (FBL) achieved the landmark of Rs. 1 trillion in Balance Sheet footings with a record Profit Before Tax of Rs. 22.4 billion, 67% higher than the last year.

The Board of Directors of FBL, in their meeting held on February 23, 2023, approved the financial statements of the Bank for the year ended December 31, 2022 and announced final cash dividend of Re. 1 per share i.e. 10%, bringing the total cash dividend for the year to Rs. 7 per share or 70%.

The Bank has successfully completed the largest conversion of a Conventional Bank into an Islamic Bank in history. This is a testimony



to the steadfast vision of its Board, the devotion of its management, the perseverance of its staff and support of customers. This massive Islamic conversion is unprecedented not just in Pakistan, but all around the world and has been recognized by Islamic International Rating Agency (IIRA) as the largest in the world.

FBL achieved the landmark of Rs. 1.0 trillion mark in balance sheet footings on the back of strong deposit mobilization and borrowings. Current deposit momentum built over last several quarters continued and with a 29% growth over December 2021

reached Rs. 277 billion. Total deposits increased by 21% over December 2021 which is 3 times of the market growth in deposits. FBL's net advances increased by 15% to Rs. 455 billion, with the growth across all business segments.

FBL is well-positioned as a full-fledged Islamic Bank, and is ready to take on new challenges backed by a strong balance sheet and the vision to become the best customer centric Islamic bank, driven by passion and belief. In addition, the Bank plans to continue working towards bringing efficiencies, continuing deposit growth, and improving quality of customer service. Alongside investment in branch infrastructure, the Bank is focused on providing innovative digital solutions and invest in modern technologies to improve digital offerings and customer experience.

### HBL teams up with PMEX to promote EWRF trading

HBL and Pakistan Mercantile Exchange (PMEX) signed a Memorandum of Understanding (MoU) to collaboratively create awareness of using the PMEX trading platform for



HBL clients.

HBL and PMEX will work together to create awareness amongst the smallholder farmers for the adoption of the Electronic Warehouse Receipt Financing (EWRF) to achieve the broader objective of financial inclusion and poverty alleviation.

Speaking on the occasion, Aamir Kureshi, Head Consumer, Agriculture & SME Banking-HBL, said, "HBL is the market leader in Electronic Warehouse Receipt Financing (EWRF) and has actively partnered with the stakeholders for uptake of EWRF regime in Pakistan.

### MCB earns record Rs71.4bn

With strong build-up in core earnings, MCB Bank's profit before tax for the year ended Dec 31, 2022, "posted an impressive growth of 37.3 per cent to reach a historic high of Rs71.4 billion", the bank said in a press release recently.

The board of directors of MCB Bank Limited in its meeting under the Chairmanship of Mian Mohammad Mansha reviewed the bank's performance and approved the financial statements for 2022. The board of directors has declared final cash dividend of Rs6 per share, i.e. 60pc in addition to 140pc already paid, bringing the total cash dividend for the year 2022 to 200pc, it said.



## Mashreq Names Irfan Lodhi as Chief Executive Officer For Mashreq Pakistan



Mashreq, one of the leading financial institutions in the MENA region, has appointed Irfan Lodhi as the new Chief Executive Officer for Mashreq Pakistan.

In his role, Irfan Lodhi will lead the charge in establishing Mashreq as a key player in the country. He will manage and execute Mashreq's digital strategy across all banking segments in Pakistan, with a focus on delivering unmatched experiences to customers. Moreover, he will deliver a sharp emphasis on enriching Mashreq's digital ecosystem, partnerships, and next generation capabilities in both Mashreq's Neo, NeoBiz and NeoPay. As part of his responsibilities, he will also collaborate closely with stakeholders in the country to deliver on Pakistan's National Financial Inclusion Strategy (NFIS) offering a superior client experience through digital innovation and information led transformation.

## Askari Bank signs agreement with Akhuwat Islamic Microfinance

Askari Bank has signed an agreement with Akhuwat Islamic Microfinance to provide interest free business and agriculture loans under Prime Minister's Youth Business & Agriculture Loan Scheme, to eligible customers. The agreement was signed by Atif R Bokhari, President & CEO, Askari Bank and Dr Kamran Shams, CEO, Akhuwat Islamic Microfinance.



Dr Amjad Saqib, Chairman - Akhuwat Foundation (through video link), Khurshid Zafar, Chief Operating Officer, Askari Bank, Rana Fasih Ul Hassan, Chief Risk Officer, Askari Bank and senior executives from Askari Bank's Institutional Sales, Islamic Banking and SME Products Divisions, were also present on the occasion.

## Adamjee Insurance & Pak Suzuki celebrate 15 years of partnership

Adamjee Insurance and Pak-Suzuki have recently celebrated their 15-year partnership at a renewal ceremony of the Suzuki Insurance Program, held at the regional office of Pak-Suzuki Motor Company Limited.

At the signing ceremony, Adnan Ahmad Chaudhry, the Executive

Director Commercial at Adamjee Insurance, signed the agreement with Aamir Shaffi, the Executive Officer Sales and Marketing at Pak Suzuki.



## State Life Insurance Corporation announces best business results in its 50-year history

State Life Insurance Corporation of Pakistan (SLIC) held its Annual Marketing Convention in Pearl Continental Bhurban to congratulate its vigorous workforce and determined management team and celebrate the strongest annual results since its inception. Despite macroeconomic and market volatility challenges, SLIC delivered the strongest business numbers in its history and grew its premium revenue to Rs. 279 billion, increasing by 64% from last year.

### New business: 173 billion increasing by over 161% from 2021

- Individual Life – Highest ever premium collection since inception
- Group Life and Health – Highest-ever new business since inception

### Earnings:

- Premium Income: Over Rs. 279 billion collected – increased by 64% from 2021
- Investment Income: Over Rs. 122 billion – Investment yield 10.5%

### Payouts:

- Claims: Over Rs. 167 billion in claims paid to policyholders – Highest ever since inception
- Bonus allocated to policyholder: Over Rs. 95 billion – Highest ever since inception

### Growth:

- Assets: Over Rs. 1.56 trillion – increased by 15% from 2021
- Pak Life Fund: Over Rs. 1.4 trillion – increased by 15% from 2021

The convention held at Pearl Continental Hotel in Bhurban focused

on the developments made under Shoaib Javed

Hussain, Chairman of State Life and speaking at the occasion; he reiterated, "In any country, the existence of a vibrant and growing insurance industry is essential for the growth of its economy. State Life surpassed last year's results and delivered exceptional results in 2022, making SLICs 50th year a truly golden one. This has only been achieved due to the dedication of our professional workforce across our officers, staff, and sales force cadres as they implemented our



dynamic corporate leadership's innovative vision and competitive strategy. Insurance becomes even more important during challenging times and difficult circumstances. Behind these incredible business results lie the true essence of our work: to provide security and protection to our policyholders. Whether for health, saving, children's education or retirement, State Life is a partner in an individual's life journey, and we are here to support them in making key life decisions. I want to thank our policyholders, business partners, and shareholders for trusting in State Life; I am confident that we will continue to lead the evolving life and health insurance landscape."

SLIC's dynamic and visionary business strategies focused on technology and customer-centric services continue to drive the organisation. SLIC's revitalised policies are designed to fit the needs of every citizen and wider diaspora of Pakistan, making them the leaders in the insurance industry.



# AUTOMOBILE NEWS

## A review of automotive production in 1HFY23

Volumes across the automotive industry (excluding Kia and Changan) have dropped 38 percent in the first half of the fiscal year, landing at about 84,000 units. By year-end, these volumes at the current pace would stand at roughly 160,000 which is a substantial drop from last year's near-double volumes. This is not a major low for the industry which raked it in lower volumes during FY20 and FY21 and much lower prior to FY16 when industry-wide capacities were also lower.

The average monthly unit sales are also not near the lowest volumes achieved in the past. However, it is possible that volumes will be even lower than the cumulative 160,000 if the current shortage of dollars continues for another few months. Even if there was demand, and there were buyers willing to buy vehicles on cash, there won't be enough supply. Most assemblers and auto parts manufacturers have been closing up shop due to their inability to procure their required materials and components from abroad which have to be bought in dollars; precious dollars that are not available. Even though SBP lifted the quota restrictions, banks are

urged to only allow essential imports. Industry across sectors that are dependent on imports are keeping shutters down and soon enough, this would lead to lay-offs, especially in the component and parts industry that are smaller and rely on firm orders to survive.

As it stands, volumes will primarily drop due to ongoing supply chain constraints and if they start easing over the next few months, demand-side factors will come into play. Though there is almost always demand cars in the country—many believing it is a good store of value—reduced purchasing power, high cost of borrowing and high inflation will affect the segments that have depleted their savings, are not able to pay cash upfront and were counting on bank loan to make their required purchase. But assemblers can worry about demand later; at the moment, supply alone is bringing them down.

During Jan'23, Automobile sales witnessed a sharp decline of 47% YoY | 36% MoM to 10.9K units. This dip is primarily attributed to the adverse effect of rising inflation, which impacted the affordability of consumers. Moreover, unplanned plant shutdowns due to a shortage of CKD units amid SBP import restriction is still hurting the overall production and supply of automobile sales. Furthermore, we anticipate automobile sales will remain under pressure throughout



the current calendar year.

1,300cc segment and above showed the least decline in overall segments (-6% MoM). Given the sales of Civic and City surged by 65% MoM.

Similarly, we witnessed a decline in 1,000cc segment sales by 37% MoM, led by a decline in Cultus sales which went down by 49% MoM to 671 units.

Sales in the below 1000cc segment went down by 92% MoM. The major contributor remained Alto, whose sales went down by 99% MoM to 44 units.

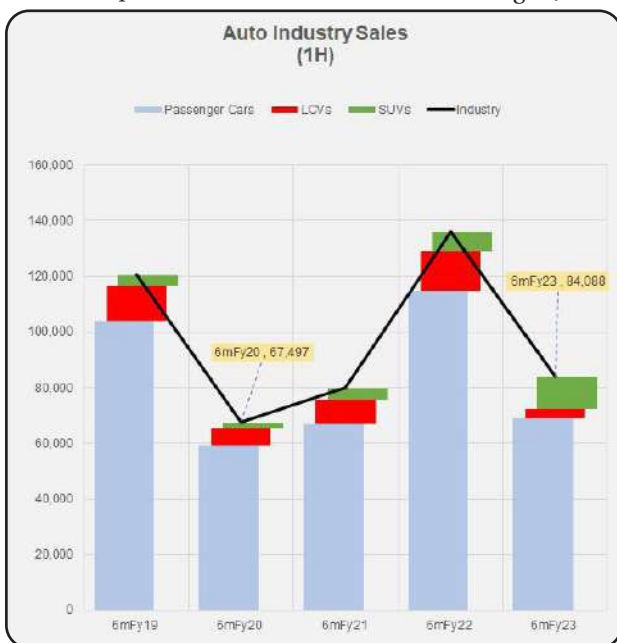
**INDU:** INDU's volumetric sales showed an improvement as it could sell 3,570 units, up by 26% MoM, as Fortuner and Hilux sales jumped by 96% MoM to 1,851 units.

**PSMC:** Key laggard behind the decline in auto sales remained PSMC, showing a massive dip in sales of 74% MoM, as it was only able to sell only 44 units of Alto in Jan'23 against 6,898 units in Dec'22, down by 99% MoM.

**HCAR:** HCAR sales were up by 30% MoM, as BRV/HRV sales settled at 1,084 units.

**Tractors:** During Jan'23, the tractor sales portrayed a massive jump of 236% MoM, majorly contributed by MTL, whose sales went up by 236% MoM. In addition, AGTL's sales went up by 134% MoM.

*Courtesy - BR*







# TEXTILE INDUSTRY

## APTMA seeks to increase textile exports thru e-commerce

All Pakistan Textile Mills Association (APTMA) organized an orientation session recently for its members on e-commerce to increase textile exports.

Chief Executive Officer (CEO) MindWhiz Shah Hassan made a detailed presentation to the APTMA members on how to utilize international e-commerce platforms to increase exports. Vice Chairman APTMA Asad Shafi and Secretary General Raza Baqir were also present on the occasion.

Shah Hassan said the global market volume of Amazon, a leading e-commerce platform, is over \$600 billion and China is top global exporter in the world through e-commerce. He said Pakistan is ranked as third topmost country with highest number of sellers after USA and China and major exports of Pakistan that contribute to e-commerce include textile, leather and sports goods, chemicals, carpets and rugs.

According to him, Amazon number one seller is also from Pakistan that generated \$650 million revenue in

2022. He said there is enormous scope for textile exports from Pakistan in the fields of hosiery, bedding and bath, apparel, sports and outdoors and kitchen and dining items. He also informed the audience that there is a huge potential to grow for brands on e-commerce platforms and explained selling strategies on these platforms.



He said the ultimate goal of e-commerce platforms is to build up brands in terms of sales, customer satisfaction, and overall performance. Sellers can achieve 46% profit margin by selling their products through e-commerce, he added.

Speaking on the occasion, Vice Chairman APTMA Asad Shafi said Pakistan can increase its exports by \$6 billion per annum in case it avails one

percent of the global market volume of \$600 billion at Amazon.

He said the Patron-in-Chief APTMA Gohar Ejaz has envisioned utilizing surplus yarn and fabric valuing about \$3 billion in local production of garments and other value added textile products by establishing 1000 garment units each costing \$7 million and giving employment to 700 workers.

He continued that this new addition of stitching units will have the potential to provide employment to around one million people and additional exports of \$210 billion leaving no need to beg all around the world for additional foreign exchange.

Asad said that the stitching revolution coupled with normal BMR and expansion will uplift total textile exports to \$50 billion in the next five years.

According to him, the purpose of the orientation session was to identify supply chain issues, logistic challenges and the goal of customer satisfaction while promoting e-commerce in the textile industry of Pakistan to maximize Pakistan's share to the global textile exports.

## APTMA resents hike in EFS & LTFF

The country's export sector has termed the increase in Export Finance Scheme (EFS) and Long-Term Financing Facility (LTFF) by two percent to 13 percent by the State Bank of Pakistan (SBP) as a disaster for the export sector.

Talking to local media, Executive Director, All Pakistan Textile Mills Association (APTMA), Shahid



Sattar said the textile sector will send a formal response to the SBP's action soon.

"We have one word for this illogical decision, ie, disaster," said Sattar.

Previously, there was some 5 percent gap between the policy rate and EFS and LTFF rates, however, now the State Bank has decided to further reduce the gap by 2 percent. "It has now been decided to reduce the gap between policy rate and EFS & LTFF rates from existing 5 percent to 3 percent," the SBP circular said.

The government is also conducting audit of textile units to find out those units which are enjoying incentivized electricity and gas for export purposes but are also selling their products in the domestic market.

## Textile group: H1FY23 exports decline 7.07pc to \$8.72bn YoY

The country's textile group exports declined by around 7.07 percent during the first half (July-December) of the current fiscal year 2022-23 and remained at \$8.717 billion as compared to \$9.381 billion during the same period of last year, the Pakistan Bureau of Statistics (PBS) said.

The data of exports and imports released by PBS revealed that the country's textile group exports witnessed a decline of 16.47 percent in December 2022 on a year-on-year



basis and remained at \$1.356 billion when compared to \$1.623 billion during the same month of last year.

On a month-on-month (MoM) basis, the textile group registered 4.56 per cent negative growth compared to \$1.420 billion in November 2022.



# TRAVEL WORLD

## PIA adds two aircraft to operational fleet

Pakistan International Airlines (PIA) has added two more aircraft to its operational fleet — one newly inducted Airbus A320 and the other Boeing 777, which was grounded for seven months.



The airline expects that the induction of both aircraft into flying duties would help reduce pressure on its overstretched fleet and pave the way for the much-needed network expansion.

A PIA spokesperson said that the government was actively working towards the growth and development of the national flag carrier despite economic challenges.

He said the airline had brought back two Boeing 777s from long grounding and was in the final stages of restoring the third and last Boeing 777 to

operational duties, taking the number to 26 operational planes, including 10 Boeing 777s, and 14 Airbus A320s.

PIA also planned to increase its fleet with the induction of four to five mid-tier, wide-body aircraft this year, he said.

The increase in the number of planes was necessary for PIA's business objectives of network expansion and consolidation on productive routes, especially Saudi Arabia, Turkiye, China and the Far East, the spokesperson said.

## EU ban on PIA to be lifted soon: spokesperson

The ban imposed by the European Union on Pakistan International Airlines (PIA) flight operations is anticipated to be lifted soon.

According to sources, an Audit team of the European Union Aviation Safety Agency (EASA) to do a remote online in which they will inspect all the various issues related to flight

operation including flight safety and flight engineering. The EASA team will carry out a safety audit of CAA and PIA prior to allowing flights from Pakistan to European countries, said sources.

PIA Spokesperson stated that all the preparations related to the online audit of EASA have completed, he also anticipated that after the successful audit of the airline operations, the operations of PIA will be resumed in Europe. It may be noted here that PIA was restricted from flying to EU states



after the EASA suspended the national airline's authorisation to operate flights to EU member states.

(local media)

## Careem partners with Fly Jinnah, expands corporate portfolio

Careem, the pioneer of ride-hailing in Pakistan, has recently partnered with Fly Jinnah, a newly launched private airline for domestic flights in Pakistan, to expand its corporate portfolio Careem for Business (C4B). Under the partnership, Careem will provide hassle-free mobility solutions to 100+ Fly Jinnah employees across major cities in Pakistan.

As a start, Careem will provide 11 cars every month with 24/7 operations and bigger vehicles (hiace and hijets) for the airline's crew members, including captains and cabin crew.

The partnership also presents exclusive offers for Careem and Fly Jinnah customers through marketing activities, including free tickets and airport rides. Commenting on the collaboration, Country Head Careem Pakistan, Feroz Jaleel stated: "We are

extremely happy to partner with Fly Jinnah to address the mobility needs of their colleagues by providing top quality services as well as enhanced experience.

As Careem's mission is to simplify and improve people's lives, we will continue to partner with players in different industries to better assist them in providing safe, convenient and hassle-free mobility."

'Careem for Business is the corporate services portfolio of the company, offering cost-effective and hassle-free mobility solutions to small and medium enterprises (SMEs) and

conglomerates. Currently, Careem for Business is offering services to various corporate clients, including Jazz, K-Electric, Daraz, Telenor, Habib Bank Limited (HBL), United Bank Limited (UBL), Nestlé, Haleeb Foods, Afiniti, and PTCL, helping their employees easily commute to and from work every day.

Careem has also added a carpooling feature, dedicatedly catering to its corporate clientele. The carpooling service includes a pool of cars, in which colleagues in one organization living in proximity will get an optimized route in their daily commute from their homes to and from offices daily.

This feature has enabled the working segment of society to minimize travel and fuel costs while reaping the benefits like door-to-door pick and drop services, automated processing, and dedicated focal person and enjoy a safe, secure, and hassle-free ride from the corporate fleet.





## Sastaticket.pk: Partner for domestic and international traveling

Sastaticket.pk, Pakistan's leading online travel booking platform, is providing peace of mind by facilitating their customers. Now customers can book their domestic and international traveling PIA tickets through Sastaticket.pk. Now customers will also have access to a wide range of PIA flights to destinations around the globe, including popular destinations such as Dubai, Istanbul, and London.

Sharing his views about the new destinations, Mohib Hassan COO at Sastaticket.pk said, "At Sastaticket.pk, our goal is to provide travellers with the most affordable rates and the most convenient booking experience. We are working to make it easier and more affordable for customers to book their PIA tickets through our platform."

He added, "It's our utmost pleasure to be able to facilitate flight bookings for Pakistan's National Flag Carrier- PIA, and we look forward to more customer acquisition in the foreseeable future."

He further added, "In addition to that, we are also fully committed to providing our customers with the best deals and convenience when it comes



to facilitating them in their travel needs."

Sastaticket.pk is a leading online travel booking platform based out of Lahore, Pakistan that provides services such as flight and hotel bookings, car rentals and affordable vacation packages. The platform offers a unique user-friendly interface and secure booking process making it a hassle-free experience for customers to book and plan their travel online.

It is pertinent to mention here that PIA is Pakistan's National Flag Carrier and operates out of its HQ in Karachi, with hubs in major cities such as Lahore and Islamabad. The National Carrier operates domestic as well as International flights to destinations such as the Middle-East, Europe, North America and other Asian countries.

## Gerry's International organizes the soft launch of Singapore Airlines in Pakistan

Singapore Airlines (SIA) has appointed Gerry's International as its General Sales Agent (GSA) in Pakistan. The announcement was made at an event held in Karachi, attended by industry professionals, Civil Aviation Authority (CAA) representatives and other government departments, corporate sector senior management and others. Singapore Airlines will currently be an offline carrier operating through its two online gateway cities, Dubai and Colombo.

SIA's partnership with Gerry's International, Pakistan's leading aviation and travel services company, offers it a stronger footprint in Pakistan, allowing customers to interact with the airline through a trusted intermediary. Gerry's International role is to promote Singapore Airlines in Pakistan and provide offices with SQ branding

as well as provide support in different areas, from sales, reservations and ticketing, marketing and office administration.

Singapore Airlines is a brand in itself, ranked as one of the best carriers for 2022. As the world's most awarded airline, its commitment to service excellence and cabin products is well known. Moreover, Singapore Airlines operates out of its main hub at Changi Airport, Singapore, which is a destination in itself. The Singapore Airlines Group network covers more than 100 destinations worldwide. Some destinations of special interest for Pakistani travellers are Singapore, Malaysia, Japan, China, Australia, the

USA and Canada. Expressing his views on the development at the Soft Launch event, K. Aswin, General Manager, Gulf & Middle East, Singapore Airlines, stated: "We are delighted to partner with Gerry's to continue to develop and expand our presence in the Pakistan market. We look forward to welcoming passengers from Pakistan to enjoy the uniquely Singapore Airlines service, experience and products."

Adding his commendation for SIA, Arshad Wali Muhammad Group Director Gerry's Group said, "Gerry's is honoured to partner with Singapore Airlines and represent it as its GSA in Pakistan. SIA has a reputation for being a trendsetter and Industry Challenger, with continuous innovation as the key driver. At Gerry's, we highly value the brand of SIA, and similarly, SIA has recognized the strong brand position of Gerry's, hence the partnership. We are looking forward to a long and productive collaboration."



## Byram Dinshawji Avari passes away

*Asian Games double gold medallist sailor, hotelier, business tycoon, politician and honorary consul of Canada, Byram Dinshawji Avari, passed away after a brief illness recently.*

*He was 81. The group owns and operates the Avari Hotels chain,*

*which include five-star deluxe hotels in Karachi and Lahore and the beloved and historical Beach Luxury Hotel. The group also manages hotels in the United Arab Emirates and Canada.*

*A kind-hearted soul, Mr Avari had several*



**Byram D. Avari**

*times allowed use of his hotel halls for free along with free catering whenever there was a need for a good cause. He leaves behind his wife and sailing partner Goshpi Avari, two sons Dinshaw and Xerxes and a daughter Zeena.*

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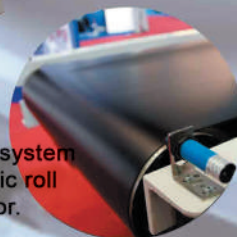
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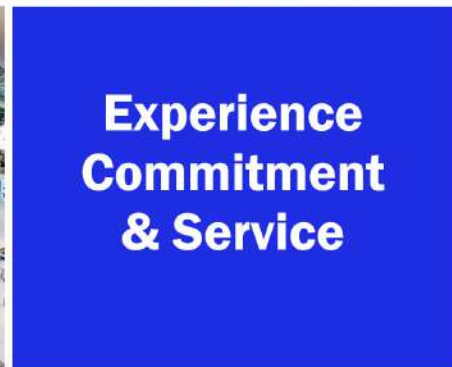
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