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ECONOMIC

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TRADE & INVESTMENT

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AGRICULTURAL RENAISSANCE

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JUSTICE IS THE KEY

POLITICAL TURMOIL

CORRUPTION

SECURITY

PRIORITIES
FOR THE BUDGET
2024-25

Industrial Growth Boost

This strategic approach is particularly crucial in vital sectors such as pharmaceuticals, food, auto parts, and chemicals, where domestic businesses not only contribute to fulfilling local needs but also aid in reducing import bills, consequently bolstering the nation's economic resilience.

Mashood Khan

As we stand on the cusp of a new government formation, it's imperative to outline strategic measures aimed at revitalizing our industrial sector. Over the past two and a half years, the landscape has witnessed challenges such as the decline of SMEs and rising unemployment. To counter these setbacks and foster economic growth, job creation, and overall industry development, the incoming administration must prioritize several key initiatives.





domestic businesses not only contribute to fulfilling local needs but also aid in reducing import bills, consequently bolstering the nation's economic resilience.

Moreover, fostering a conducive interest rate environment is essential to encourage investments in industrial ventures. Lower interest rates not only alleviate the financial burden on entrepreneurs but also stimulate capital inflows into the industrial sector, fostering innovation, expansion, and job creation.

Delisting from Stock Exchanges:

The concerning trend of delisting requires immediate

A proactive and comprehensive approach towards industrial revitalization is essential for sustainable economic growth.

issue and ensure industrial sustainability over the next five years.

Ease of Doing Business:

Simplifying bureaucratic processes and implementing a single-window clearance system for permits and licenses will streamline operations for businesses. Particularly in Special Economic Zones (SEZs), policies should align with ground realities to foster a more favorable environment for growth and investment.

Special Economic Zones (SEZs):

While the government has made commendable strides in developing Special Economic Zones (SEZs) across major cities, it's imperative to address certain shortcomings hindering their optimal utilization. Despite their potential, many of these SEZs remain underutilized, with occupancy rates not reached 90%.

One significant barrier to full occupancy is the exorbitant land prices within these zones, deterring potential investors and businesses from fully capitalizing on the opportunities they offer. To overcome this hurdle, I propose the allocation of at least 50 acres of shaded

Industrial Policy:

The government's primary objective should revolve around rebuilding confidence among national companies and entrepreneurs, thereby incentivizing reinvestment in domestic industries.

Introducing targeted measures like Production Base Incentives (PBI) specifically designed for entrepreneurs who can play a pivotal role in bolstering domestic production and



meeting local demands.

This strategic approach is particularly crucial in vital sectors such as pharmaceuticals, food, auto parts, and chemicals, where

attention. Revisiting compliance and regulations for both national and international companies, coupled with a relaxation period for national companies, can mitigate this

facilities within these SEZs, providing a plug-and-play environment conducive to immediate setup and operation.

Such infrastructure would significantly lower entry barriers, particularly for Small and Medium Enterprises (SMEs) and Micro Enterprises (MEs), fostering their participation in these zones and maximizing their potential.

Furthermore, I urge the new government to adopt a bold initiative: "ONE ZONE ONE PRODUCT ONE BILLION \$ EXPORT." This ambitious goal aims to leverage the unique strengths and resources of each SEZ, focusing on the production and export of a specific product to generate at

transform SEZs into vibrant hubs of economic activity, driving exports, creating jobs, and propelling our nation towards greater prosperity.

Promoting Designing and Technology Hubs:

Establishing designing and incentivizing technology hubs adoption will drive competitiveness and efficiency across industries, ensuring sustainable growth in the long run.

National Franchise Scheme:

The implementation of a national franchise scheme holds immense potential to empower local companies and foster their growth in the competitive market landscape.

Fostering a conducive interest rate environment is essential to encourage investments in industrial ventures.

Pakistan Franchise International Exhibition, a platform designed to spotlight homegrown brands on a global stage. This exhibition serves as more than just a showcase; it's a catalyst for forging international partnerships, facilitating market access, and propelling

Pakistani enterprises onto the global arena.

Through participation in this exhibition, local businesses will not only gain exposure to international markets but also have the opportunity to network with potential collaborators, investors, and customers from

around the world.

This exchange of ideas and opportunities will catalyze innovation, growth, and economic prosperity for our nation.

In essence, the National Franchise Scheme, coupled with the Pakistan Franchise



least one billion dollars in exports from each zone within the next five years. By aligning SEZ development with targeted export strategies, we can unlock their full economic potential and drive sustainable growth across diverse sectors.

Key challenges and embracing innovative strategies, we can

By providing support in areas such as quality enhancement, marketing strategies, and brand development, this scheme will equip indigenous businesses with the tools necessary to thrive and expand their reach.

A pivotal component of this initiative is the proposed



International Exhibition, represents a transformative step towards positioning Pakistani businesses as formidable players in the global market, driving economic growth, and

Financial Support and Incentives:

Introducing tailored financial packages and tax incentives for industries pivotal to economic development will

approach to industry development.

Monitoring and Evaluation:

Implementing a robust monitoring and evaluation system will enable policymakers to assess the impact of initiatives and make necessary adjustments based on industry feedback and economic indicators.

A proactive and comprehensive approach towards industrial revitalization is essential for sustainable economic growth. Special Investment Facilitation Council (SIFC) to be add industrialization sector too.

Lower interest rates not only alleviate the financial burden on entrepreneurs but also stimulate capital inflows into the industrial sector, fostering innovation, expansion, and job creation.



fostering sustainable development.

Export Facilitation:

Facilitating international trade agreements and providing incentives for export-oriented industries will bolster competitiveness in global markets. Developing national brands and guiding export strategies will further enhance the country's export.

stimulate investment and job creation, driving overall industrial growth.

Consultation with Industry Stakeholders:

A continuous dialogue with industry leaders is essential to understand their needs and challenges. Incorporating their feedback in policymaking processes ensures a more inclusive and effective

By prioritizing these recommendations, the new government can instill confidence in industries, fostering a conducive environment for long-term prosperity and development.



The writer is the Director, Mehram Commercial Enterprises, Expert on Auto Sector & Former Chairman PAAPAM