# PAKISTAN AMONG STATES 'ENGAGED' WITH IRAN: US SLAPS SANCTIONS ON 39 ENTITIES

ISLAMABAD: The United States of America has imposed sanctions on 39 entities located in countries including Pakistan, UAE, PRC, Hong Kong, Turkiye, Singapore, Marshall Islands and Iran.

The US Embassy Islamabad, in a note informed Ministry of Foreign Affairs that the US on March 9, 2023 imposed sanctions on entities involved in sale, purchase and shipment of Iranian petrochemical products and serve as a front for Triliance and Persian Gulf Petrochemical Industry Co (PGPICC).

The sources said alleged company from Pakistan included in the list is "Alliance Energy (Pvt) Limited, Pakistan." The 39 companies provided material support to Triliance of PGPICC by supporting or engaging in transactions involving petrochemical products from Iran. PGPICC and Triliance engaged in financial transactions designed to circumvent US sanctions.

The United States will continue to enforce sanctions on Iran's petroleum and petrochemical trade and disrupt the Iranian regime's use of sanctions evasion networks. These companies are known to utilize sophisticated tactics to help Iran evade sanctions and serve as front companies and currency exchanges for PGPICC and Triliance.

The companies being designated as part of this action are:

(i) Albahr Alaahmar Offshore Refined Oil Product Trading, LLC, UAE; (ii) Albahr Alaahmar Energe FZE, UAE, Alshivan Line Trading FZE, UAE, Bordo Plastic Materials Trading LLC, UAE, Fairtrade Non Edible Oil and Liquefied Natural Gas Trading LLC, UAE. Famin FZE, UAE, Longford Trading LLC, UAE, Nord Trading LLC, UAE, Shams Alrabeea Chemicals Trading LLC, UAE, Al Kashaf Petroleum and Petrochemical Trading LLC, UAE, Sparrow Trading FZE, UAE, Greenland Oil and Gas Trading FZE, UAE, Bavi General Trading, UAE, Hong Kong Well International Trading Limited, Hong Kong SAR, PRC, Foraben Trading Limited, Hong Kong SAR, PRC, Nashville HK Limited, Hong Kong SAR, PRC, Salita Trade Limited, Hong Kong SAR, PRC, United Resources Co, Limited, Hong Kong SAR, PRC, QI Group Limited, Hong Kong SAR, PRC, Univest Limited, Hong Kong SAR, PRC, Multi Well Trading Co, Limited, Hong Kong SAR, PRC, Goldenix Co, Limited, Hong Kong SAR, PRC, HK Sihai Yingtong Industry Col, Limited, Hong Kong SAR, PRC, Ningbo More Interest I/E Co, Ltd, PRC, Hongkong Canway Co Limited, Hong Kong SAR, PRC, Jin Xin Nuo Trading Limited, Hong Kong SAR, PRC, Horryzin International Trade Co, Hong Kong SAR, PRC, Melikal for Medical and Medicine Trading Co, Limited, Hong Kong SAR, PRC and Marafi International Trading Co, Limited, Hong Kong SAR, PRC etc.

# FM ANNOUNCES RECEIPT OF $500 MN FROM ICBC

Finance Minister Ishaq Dar on Friday announced the receipt of $500 million from Industrial and Commercial Bank of China (ICBC) by the State Bank of Pakistan (SBP) after the government of Pakistan completed documentation for its disbursement. In a tweet, he said "SBP has received today in its account from Chinese Bank ICBC $500 million. It will shore up forex reserves of Pakistan."

On Thursday, Dar announced the completion of documentation for $500 million disbursement. "Out of Chinese ICBC's approved rollover facility of $1.3 billion (which was earlier repaid by Pakistan to ICBC in recent months), documentation for second disbursement of $500 million has been completed by Finance Ministry for release of funds to the State Bank of Pakistan (SBP)," said Dar in a tweet. Earlier this month, Pakistan's central bank received $500 million from China's ICBC, the first of three disbursements that were approved for rollover. Sharing the development, Dar said the formalities were complete and ICBC had approved the rollover of a combined $1.3 billion facility that had been repaid by Pakistan in recent months.

Pakistan's central bank foreign exchange reserves currently sit at $4.32 billion, courtesy loan inflows of $500 million from ICBC and $700 million from China Development Bank. Pakistan expects another $800 million from ICBC after it renewed its $1.3-billion facility, which the country had repaid earlier. Still, the import cover is around one month with February's bill clocking in at $4 billion, according to data available with the Pakistan Bureau of Statistics. Last week, SBP Governor Jameel Ahmad had said that Pakistan needs to repay about $3 billion of debt by June, while $4 billion is expected to be rolled over, according to Bloomberg.

The central bank reserves, which stood at nearly $18 billion at the start of 2022 but have undergone significant depletion in recent months, underscore the urgent need for Pakistan to complete the next review of the International Monetary Fund (IMF) programme. The programme has been stalled since last year, but Islamabad remains engaged with the IMF for its revival. Last month, the IMF mission left Islamabad without inking the staff-level agreement, and instead, issued a short four-paragraph statement, stressing on timely completion of prior conditions to revive the bailout that has been stalled since last year.

# B2B BARTERING WITH CHINA TO BOOST EXPORTS: MINISTER

KARACHI: The dollar-strapped Pakistan is now expecting a Business-to-Business (B2B) bartering with the neighbouring China to give a boost to its dwindling exports, Federal Commerce Minister Syed Naveed Qamar said on Friday. Also, he said Pakistan will continue to enjoy the EU-granted GSP Plus lucrative facility for the next couple of years. The ongoing program, which allows Pakistan to export GSP-eligible products across the EU under preferential tariffs (ie, reduced or zero import duties) was set to expire in 2023.

However, the mister said the EU has not yet given its final decision on what would be the next program's shape and size. It has extended for Pakistan the facility for at least two years.

Pakistan has already met EU conventions and demands including those related to the Human Rights (HR). "We are confident; we will be going into the next program as well," Naveed said. Talking to business journalists at Trade Development Authority of Pakistan (TDAP) head office, he said: "The B2B Barter Policy has been approved by the federal cabinet, and we are just going for marketing of the launch."

The policy has been designed in a manner that it will not 'annoy anyone," he said, in a veiled reference to the global powers and financing institutions.

The scheme has been designed primarily focusing on countries like Iran and Afghanistan where the banking systems operations are not so easy due to international sections and other factors. Pakistan can also fetch fruits of this scheme from the Central Asian countries, and Africa where we don't have banking compatibility with their financial systems.

These countries have a huge trade potential, but we don't have an easy system for the flow of finances. Compatibility of goods' value can be a limitation for us. But, we have to work hard on this especially in those countries where we have trade deficit, he said. Barter or trade is defined as the exchange of goods and/or services between businesses, organizations, or individuals without using money to pay for them. The system has been going on for thousands of years now, he said. "We are expecting barter system with the China," the minister said. Barter system is an alternate mechanism and other banking transactions will regularly continue, he said."Sky is the limit," he said when asked about the barter trade potential, and refused to share any estimated figures.

However the bartering will not be applicable for the countries where Pakistan's trade is in surplus, like European Union (EU), the United States of America (USA), United Kingdom and, Middles East.

The government has just given a framework. It will be all about consolidation between the two agreeing parties in the system, and recording of imports and exports will be maintained at the customs level, and this will help make settlement between the two parties, the commerce minister said.

China's eastern province, Shandong is set to relocate its labour-intensive industries to Pakistan to reduce production cost which is part of China Pakistan Economic Corridor. He said the Former President Asif Ali Zardari played key role in implementation of Currency Swap Arrangement (CSA) which gave positive signal to the market on the availability of liquidity of the other country's currency on the onshore market.

The minister said, China to build an industrial park in Pakistan which will serve as a focal point for all the industrial requirements of Pakistan from China and vice versa. The Federal Minister said projects like solar panels assembly plant, metal refining plants, fertilizer production plant, food processing plants (dry milk production, seafood processing, meat processing) are being considered for future investment.

R 18-3-2023

## CHINESE GROUP PLANS INDUSTRIAL PARK IN PAKISTAN

ISLAMABAD: Commerce Minister Syed Naveed Qamar on Thursday appreciated the plans of a Chinese group for setting up an industrial park in Pakistan.

A Chinese delegation headed by Shandong Xinxu Group Corporation chairman Hou Jianxin during a meeting with the commerce minister discussed its investment plans. Mr Jianxin said he came up with the vision to establish an industrial park in Pakistan to get benefit from the decision of the Shandong government, a Chinese province intending to shift its industry to Pakistan. The park will serve as a focal point for all the industrial requirements of Pakistan from China and vice versa, the chairman added. Mr Qamar appreciated the Shandong government's decision to shift its industry to Pakistan which would not only attract foreign investments but would also create job opportunities.

Dawn 18-3-2023

## PROJECTS WORTH BILLIONS OF DOLLARS: AIIB VOICES CONCERN OVER UNDUE DELAY

ISLAMABAD: The Asian Infrastructure Investment Bank (AIIB) has reportedly expressed concerns on undue delay in projects worth billions of dollars, urging concerned authorities to expedite their completion.

The AIIB projects review meeting was co-chaired by Vice President AIIB and Additional Secretary-II Economic Affairs Division (EAD). On Tarbela 5th Extension Hydropower Project (T5HP), the meeting was informed the project authorities that the civil works commenced in 2021 after award of the contract. The last regulatory issue was resolved on October 1, 20222 after issuance of NOC by the Irsa for closure of canals 5. During discussion on commitment of $ 300 million financing, Additional Secretary EAD and AIIB highlighted the delays faced by the project since its signing on January 18, 2017. Project authorities were directed to ensure the construction as per the agreed schedule, which will ensure T5HP commissioning in 2025.

Deliberating on disbursement of $ 57.44 million, it was informed by project authorities that $ 27 million disbursements was expected till June 2023. On a question from the AIIB about the impact of increasing rates of interest, the project authorities replied that it will impact on the project costs and they will see as to how it could eventually be met - potentially through some additional financing.

The meeting decided that the Wapda would share with the EAD and the AAIB the actual milestone based disbursement projects for the rest of the project's life till June 2025 (commissioning) and until the completion of construction beyond 2025 (raising of intake). The Wapda will specifically intimate both the AIIB and the EAD about commitments. The Wapda has been directed to analyse the impact of rising prices on the overall cost of the project. It was also directed to expedite implementation and accordingly the disbursement status.

Karachi Water and Sewerage Service Improvement Project: project authorities noted that the project faced delays due to Covid-19. However, procurement has slightly improved post-Covid.

Disbursements, which are presently very slow, are going to be accelerated. The project's commitment was $ 40 million, of which disbursement was $ 16.01 million (40.3 per cent disbursement).

Two issues pertaining to this project: reforms; and capital works KWSB reforms act has been approved by the cabinet and will be placed before the assembly soon. Key management positions are also under recruitment. They will be filled once the KSWB reforms act is passed by assembly.

It was noted that the $ 5 million disbursements were linked to the opening of LCs for truck parts from Italy. Rest of the capital works procurement is being expedited. Project authorities stated that funds amounting to $ 29 million are being utilized for rehabilitation works after floods and further contended that $ 15.5 million will be further disbursed from the AIIB loan till June, 2023.

Karachi BRT Red Line: Serious concerns were raised by EAD and AIIB on the extremely low disbursements of the project. Project authorities stated that 45 percent of signed civil work contract (Lot 1) were related to the two bus depots that were under the use of Sindh Rangers.

On commitment of $ 71.8 million financing, it was noted that after an agreement with the Rangers, contractor has mobilized on Malir Halt depot site. The consultants are conducting a redesign for the reduced amount of space allocated. For the second depot, summary for allocation of alternate 16 acres of land at former Aladdin Park has been approved by Chief Minister, Sindh.

This land belongs to KMC and handing over of land to Trans-Karachi is expected by the end of the current month, whereas initial work at Malir has started. This will involve a change in design of the transport circulation. It was contended that complex utility relocation process further delays project progress.

The AIIB requested EAD to liaise with GoS to the extent possible for land handover process for the bus depot. The AIIB raised concerns over the appointments made in trans-Karachi Board without prior approval from the co-financiers. The Bank emphasized that any new appointments without prior consent of the co-financiers be avoided.

The meeting directed Trans-Karachi to give realistic timelines for handing over the land for Depot. Balakot Hydropower Project: the meeting was informed that since EPC contractor forms the major part of civil works the project will be on track in a month's time. Basic design of project is expected to be approved soon.

The AIIB has made commitment of $ 250 million for the project, of which $ 0.625 million has been disbursed, which is 0.25 percent of total commitment.

The project is to be monitored for possible repurposing in case of non-improvement in disbursements. Other projects which were discussed are: (i) Khyber Pakhtunkhwa Cities Improvement Project; and (ii) Resilient Institutions Sustainable Economy-II with a commitment of $ 250 million, Karachi Water and Sewerage Services Improvement Project-2 and Lahore Water and Wastewater Management Project.

R 18-3-2023

# CLOSURE OF SME BANK APPROVED

ISLAMABAD: The federal cabinet on Friday approved wrapping up of the SME Bank on the recommendations of the State Bank of Pakistan (SBP), but issued directives to ensure the protection of consumers' deposits.

The cabinet presided over by Prime Minister Shehbaz Sharif fixed the support price of 40 kilograms of cotton crop. In another decision, the meeting approved a bill concerning protection of lawyers. According to the Prime Minister's Office (PMO), Mr Sharif directed the SME Bank's management to ensure protection of the customers' deposits during the bank's winding down process. It was decided that all of the bank customers would be paid Rs5.557 billion, in the first phase.

According to the PMO, the meeting approved the support price of Rs8,500 per 40kg of cotton. Increase in the support price is aimed at ensuring more profit for growers, the PMO said. The decision was taken in the light of recommendations of the Economic Coordination Committee made during its meetings on March 14 and 15.

The cabinet approved the Lawyers Protection Bill 2023 for its onward tabling before the parliament. On the Finance Ministry's recommendation, the cabinet granted ex-post facto approval to 15 bilateral and two multilateral MoUs of the Securities and Exchange Commission of Pakistan with different countries and international institutions.

Presiding over another meeting, Prime Minister Sharif announced free wheat flour to be provided to deserving and poor families in Punjab and Khyber Pakhtunkhwa during the holy month of Ramazan. While the commodity will be provided on subsidised rates in Balochistan. "It is for the first time in the history of the country that a package has been devised to provide Atta free of cost to poor people during Ramazan," the prime minister said at the meeting. Mr Sharif said he would not tolerate any negligence that will compromise the quality of flour to be given to poor people free of cost. He said the government was making all-out efforts to provide relief to the inflation-hit poor and middle class families in the country.

The meeting was apprised that 16 million households will get free flour in Punjab. However, no such details were released regarding KP. People can ascertain their eligibility for free flour by sending their Computerised National Identity Card number to the Benazir Income Support Programme (BISP) number 8171 through SMS.

The meeting was also informed that wheat flour will also be provided on subsidised rates in Balochistan through 50 Ramazan Bazaars.

Dawn 18-3-2023

# THE TIGHTROPE BETWEEN RECOVERIES AND CIRCULAR DEBT

To end (or limit) the increase in the power sector circular debt flow, under the condition of the IMF, the government is yet again passing on the inefficiencies in planning and governance to the end consumers. This summer, the average consumer tariff inclusive of all taxes is estimated to exceed Rs 38-40 per unit. At such high rates, the marginal consumer would either lower consumption or stop paying; in both cases, the built-up of circular debt may not entirely stop.

The last summer, after the base tariff revision and a significant fuel cost adjustment (FCA) due to higher fuel prices, the power tariffs were increased by around 40 percent. This time, the cumulative application of various charges is resulting in almost another 60 percent increase in some consumer segments. Last year there was a decline in recoveries from most of the Discos, and that phenomenon is likely to grow this year.

This time, the notable increase is passing on the interest cost of Rs800 billion circular debt parked in the PHL. Dealing with this surcharge was one of the impediments with the IMF because the Fund wanted this to be part of the tariff as the government had no solution to clear the debt. In contrast, the government wanted this to be a surcharge for some months. However, NEPRA wasn't unhappy with this as it meant passing on system inefficiencies to the consumers. The surcharge of Rs3.82 per unit is imposed till June 2023 for all consumers but Rs0.43 per unit for those below 300 units and nothing for lifeline consumers. However, on Thursday, 16th March, NEPRA concluded a hearing on the implementation of the PHL surcharge in the new fiscal year. The government is proposing that the majority categories pay Rs3.23 per unit from July until October 2023; and from November 2023, all categories except lifeline will be paying these charges.

Then there are deferred FCAs from last summer – mainly for 300-unit consumers or below - as high FCA for May, June, and July 2022 applied in the Jul-Sep quarter were deferred temporarily and only applied partially to bills. These deferred charges will be passed on now in eight installments to lower the monthly increase. However, the recovery timings are odd relative to when those were deferred, as inflation is touching new records. In such a situation, it won't be easy for lower-slab consumers to absorb this increase. There would also be FCAs on existing consumers requiring quarterly adjustments. Furthermore, the GST has increased by 1 percent to 18 percent. Overall, the increase could be very painful when added to last year's increase amid high inflation and falling real incomes.

It's a no-brainer to assume that the consumers won't be able to afford the high-cost electricity. So there would be two options. One is to reduce consumption, and the other is to default on bill payments. A combination of both may occur, preventing circular debt flow from lowering to the desired levels.

Already the recoveries are falling. In FY22, Discos' recovery (barring KE) reduced from 97 percent to 90.5 percent. And based on news reports, the decline in the recovery of the first quarter of FY23 was to 83 percent. This lower recovery was partially attributed to higher FCAs in those months, which were settled subsequently. The other reason for lower recovery was that some areas were affected by floods. The overall recovery number could have improved later, but it will be challenging in the current scenario not to let it fall again. As per the NEPRA document, the Federal Government is calculating PHL markups on the assumption that recovery will be at 90 percent, but the price increase is making this number unrealistic.

According to KE's half-year director report, the recovery is down from 94.9 percent in the first half of FY22 to 91.8 percent in the 1HFY23. The fall in other discos, as per news reports, was steeper. Not every disco is equal. Some have higher losses than others. Some contribute more to the circular debt than others. But now, all have to share the interest payment on that circular debt, which is unfair to good-paying consumers and efficient discos.

The industrial sector also faces these problems, where the exporting sectors are paying tariffs of Rs40 per unit while the production cost is close to half. And the industries have to pay for domestic consumers' subsidies and discos inefficiencies. This is not fair, either. With exuberantly high tariffs, it's about time to revisit this policy of uniformity, as even good consumers or discos might not remain good. There is a need to call a spade a spade.

## OGRA CONVENES MEETING ON EXCHANGE RATE MECHANISM

ISLAMABAD: The Oil and Gas Regulatory Authority (Ogra) has convened a meeting to brief and align all the stakeholders with the prescribed format of “Exchange Rate Mechanism” as devised and approved by the federal government in the pricing of petroleum products. With effect from March 16, 2023, the federal government allowed Pakistan State Oil (PSO) an exchange rate adjustment of Rs24.67 per litre on high-speed diesel (HSD) and Rs6.30 per litre on petrol.

Average of Platts with incidentals and duty on HSD has fixed for March 16, 2023, at Rs219.34 per litre from Rs202.99 per litre and Rs201.65 per litre on petrol from Rs187.21 per litre. Petroleum levy (PL) rate on HSD is Rs45 per litre and Rs50 per litre on petrol for the second half of March 2023. Some concerns with regard to the exchange rate mechanism raised have already been responded to by the Ogra with the clarification that the calculations of exchange rate adjustments are done on the basis of data provided by PSO with the provision of payment documents, which are scrutinized by the Ogra under federal government policy guidelines, wherein, the exchange rate adjustment impact is covered up to the maximum period of 60 days from the Bill of Landing of PSO and is limited to LC discharge date of PSO. As per the federal government’s pricing formula, the benchmark for the adjustment of the exchange rate is PSO’s import price and any revision in the price formula is the mandate of the federal government.

The Ministry of Energy (Petroleum Division), Directorate General (Oil), CEOs and CFOs of oil marketing companies including OCAC and OMAP are invited to attend the scheduled meeting.

The Ogra implements the federal government policy guidelines under the Ogra Ordinance. However, in order to bridge the communication gap among stakeholders, the Ogra has arranged a meeting on March 21, 2023 at Islamabad to address the concerns of stakeholders.

The federal government had asked the oil and gas regulator to review the existing formula of exchange rate adjustment on the import of petroleum products. The existing exchange rate adjustment formula is flawed as it does not accurately adjust the rate of exchange as it is based on PSO exchange rate, oil marketing companies had informed the Minister for Petroleum Dr Musadik Malik in a recent meeting.

## PUBLIC ENTITIES WARNED OF STERN ACTION: BENEFICIAL OWNERS MUST BE DECLARED IN CONTRACT DOCUMENTS: PPRA

ISLAMABAD: The Public Procurement Regulatory Authority (PPRA) has warned different public sector organizations that they will have to face the music if beneficial owner of the contracts is not mentioned in the documents, well-informed sources told Business Recorder. Declaration of Beneficial Owners Information of Public Procurement Contract Awarded Regulations was notified on May 10, 2022 and is available on Public Procurement Regulatory Authority (PPRA) website for information of the general public and compliance by the procuring agencies.

In terms of Regulation 4 of the said Regulations, all procuring agencies while engaging in public procurement contracts of worth Rs. 50 million and above shall make a mandatory provision of beneficial ownership information of the company in the contracts as prescribed in the given performa in accordance with annexures to the Regulations.

The procuring agencies while entering into such contracts shall provide the beneficial ownership information of the company to PPRA which will place this information on its website.

According to Managing Director PPIB, Maqbool Ahmed Gondal, this requirement is mandatory and shall be complied with in all circumstances. During the procurement process, the Department Peshawar Electric Supply Company (PESCO) has entered into contract worth Rs.71,409,000/- with M/s Elcon Technologies and the Department has not provided information of beneficial owners to the PPRA.

Managing Director PPRA has requested Power Division that all the departments may be directed to comply with the mentioned mandatory requirements. In case the departments under administrative control of Power Division fail to provide Beneficial Owner's information of the bidder required under Regulation 4 and these departments enter into the contract with bidders then the PPRA has to take action in accordance with these Regulations.

In pursuance of these Regulations, PPRA is authorized to declare such procurement process as misprocurement and blacklist all the bidders who have entered into a contract with the department without disclosure of mandatory information required under these Regulations.

## ACCESS TO CENTRAL ASIA: INDIA WANTS TRADE WITH PAKISTAN, SAYS DEPUTY HC

LAHORE: Deputy High Commissioner/Charge D' Affairs, High Commission of India Dr. M. Suresh Kumar has said that India has never stopped trade between the two countries but trade was closed by Pakistan. The two countries are still doing trade but the volume is far below the potential. He was speaking at the Lahore Chamber of Commerce and Industry. LCCI President Kashif Anwar and Senior Vice President Zafar Mahmood Chaudhry also spoke on the occasion while Executive Committee Members were also present.

Dr. M. Suresh Kumar said that the transit trade is extremely important as Central Asia is a big market and India needs access to it, similarly, he said Central Asia also needs access to India. He said that India is the most important and largest country in the world and is going to become the largest economy in the world very soon. He said that our service sector has grown enormously. Now we are focusing on manufacturing like automobile and electronics. He said that India always wants better relations with Pakistan because we cannot change geography. The two countries have always been neighbours. He said that it would be better to see how we can change our problems and situations. We want to move towards normal relations. He said that in the last few years, due to Corona, the number of visas decreased but now thirty thousand visas are being issued every year which is a huge number. Medical visas are also being issued. He said that a lot of sports activities are happening between the two countries. We have not denied any visa for sports yet. Earlier diplomacy used to focus on political work, now the time is gone. Gone are the days when embassies compiled political reports. Now diplomacy is done for tourism, trade and technology because money speaks its own language. He said that currently, we have a trade of 120 billion dollars with China, in which the balance of trade is towards China. Imports are not always wrong, but they also have advantages. He said that the technology is very important.

Intellectual property has become more important than physical property. By sitting in distant countries and manufacturing in other countries, Europe is making money due to intellectual property rights. Universities in Europe focus on technology. We have also started linking our universities with industry. He said that startups are growing rapidly in India right now. Currently, India ranks third in the list of eco-startup countries. Traditionally we were in the service sector. If we can do all these things then Pakistan can also do it. The importance of geo-economics cannot be denied. GT Road runs from India to Kabul. Connectivity is very important. We desperately need to work on it. He said that if we talk about the auto sector, the world's biggest auto companies are working in India. We have imposed heavy taxes on imported vehicles to benefit the local industry. More business visas should be issued. As long as people don't go to each other's countries, there will be no increase in business.

LCCI President Kashif Anwar said that it is a heartening reality that the vast majority of people in both Pakistan and India harbour feelings of immense warmth and brotherhood towards one another. These deep connections have many dimensions: historical, as well as contemporary.

The people of both countries have mutual respect and admiration for each other's famous personalities in sports, showbiz, arts and literature. He said it is generally considered that improving economic relations between India and Pakistan is a complex issue that requires addressing a range of political, economic, and social factors. We are of the view that the foremost step that could be taken to improve economic relations between India and Pakistan is the normalization of trade relations. This would bring substantial economic benefits evenly to both the countries.

The LCCI President said that Pakistan and India are the two most populous and largest economies in the South Asian region. Being the dominant constituents of SAARC, both have a great potential for intra-regional trade. It is worth mentioning that trade is even occurring informally and this results in a lost opportunity for regular visits from both sides. It is usually taking place through the United Arab Emirates (UAE) and resultantly both Pakistanis and Indians miss the opportunity to get engaged in deep and truly long-lasting personal connections. Kashif Anwar said that Pakistan can import cotton from India, as Pakistan regularly needs cotton for its strong and resilient textiles industry. The land route from India would result in cost savings for Pakistani companies compared with imports from far-away markets. Additionally, Pakistan can also buy other goods from India, which would result in savings of both time and money and these include: certain kinds of machinery, engineering goods, spare parts, medicines, industrial raw materials and certain chemicals/dyes etc.

President LCCI said that there is a huge potential for women entrepreneurs as they can also exchange their expertise and their work like jewellery, designer items, cloths and artifacts.

R 18-3-2023