

Entities incorporated here: 100 percent foreign ownership policy stays unchanged: Razzak

Advisor to the Prime Minister on Commerce Abdul Razzak Dawood Wednesday said that there is no change in government policy on 100 percent foreign ownership allowed in legal entities incorporated in Pakistan. In a meeting with members of Overseas Investors Chamber of Commerce and Industry (OICCI) , Abdul Razzak Dawood cleared the confusion caused by a recent statement by some authorities, and confirmed that there is no change in government policy on 100 percent foreign shareholding allowed to legal entities incorporated here.

He also clarified that to encourage MNCs to set up JVs with local partners, the government will need to give some incentives. The Advisor also emphasized on the need for large foreign investment in the manufacturing sector to promote value added exports and import substitution. He also assured that level playing field will be provided to existing investors, as well as new local and foreign investors.

OICCI members' issues shared with the Advisor, included concerns on the effective protection of Intellectual Property Rights (IPR) for trademarks, patents" and copy rights and to make the Intellectual Property Organization Policy Board functional as it has not met since late 2016.

The Advisor on Commerce and Investment assured the largest bloc of foreign investors in Pakistan that the Government of Pakistan led by Premier Imran Khan is highly focused on improving Ease of Doing Business and is committed to go the extra mile to facilitate investment and commerce in the country. In this respect he referred to the recent economic reforms package announced by Minister of Finance on 23rd January and BoI Chairman's recent media briefing highlighting various steps to facilitate SMEs and other businesses in the area of tax compliance, property registration and other aspects of Ease of Doing Business.

The Adviser also informed participants that the government will soon announce a new "Industrial Policy" and "National Tariff Policy", in coordination with each specific sectors and also assured that the government of Pakistan was focused on improving interprovincial coordination.

OICCI members shared growing interest and optimism in the government's efforts to create a more friendly business enabling environment and recommended that the GOP should provide clarity on the Special Economic Zones and revised Investment Policy to further accelerate FDI in the country.

Some of the OICCI members were extremely concerned over the growing abuse of Afghan Transit Trade Facility impacting the manufacturers in Pakistan, which, the Advisor assured, was already in the knowledge of the government authorities and some corrective action will be forthcoming soon.

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