

Economic landscape, Dawood identifies areas needing serious attention

ISLAMABAD: Pakistan's economy faced a lot of challenges in terms of fiscal and current account deficits and required serious steps in terms of devaluation, control on imports and government expenditures, said Advisor to the Prime Minister on Commerce, Industry and Investment Abdul Razak Dawood on Tuesday.

He was addressing a "Dialogue on Industrial Cooperation under China-Pakistan Economic Corridor (CPEC) and Special Economic Zones (SEZs) Framework".

The Board of Investment (BoI) arranged the event at a local hotel.

Chinese Ambassador Yao Jing, businessmen, academia, government officials, members of the diplomatic community, and other important stakeholders attended the event.

The advisor appreciated the efforts of exporters and businessmen for achieving this result and expressed his gratitude towards China for the phase II of the Free Trade Agreement, which is poised to further boost growth in overall exports of Pakistan.

He said that the government's strategy for the future of Pakistan was being prepared considering the CPEC and the SEZs being developed under the CPEC.

Razak Dawood maintained that under the framework of the economic development strategy, the future lied in export-led growth strategy, which made development of the SEZs more vital to improve the capacity and to complement the export requirements of the country.

He said the economy faced a lot of challenges in terms of fiscal and current account deficits and required serious steps in terms of devaluation, control on imports and government expenditures.

Dawood apprised the participants that export-led growth strategy had started bearing fruit as Pakistan had posted 13.6 percent growth in exports, in February 2020, in terms of value, while all other regional competitors showed a decreasing trend.

Explaining the objective of the SEZs under CPEC, the advisor informed that the SEZs were open for businessmen from all countries and nationalities, as the lucrative incentives under SEZs were the same for everyone.

He added that investments in various sectors had started to pour in and this pace would pick up in the coming days.

Dawood underscored that the second phase of the CPEC was about industrial and agricultural cooperation, while the next phase would be about connectivity with regional and global markets, as a part of the overall Belt and Road Initiative.

Earlier, while talking to the gathering, the Chinese ambassador explained that the second phase of the CPEC was about engagement of private sector, local community and society at large.

He underlined that the current phase of the CPEC would cover industrial cooperation, agriculture cooperation, social cooperation, poverty alleviation and cooperation in science and technology, with an aim to boost the economy of Pakistan as well as to raise the skill set and standard of living of the local population.

He added that the CPEC objectives were for the mutual benefit of both the countries.

The ambassador appreciated the vision of the government under Prime Minister Imran Khan.

BoI Secretary Omer Rasul, also gave a brief outline of the entire day and encouraged the participants to come forth with questions and valuable suggestions, which would help the BOI in fulfilling the objectives of the event planned by the BOI and setting a tone for policymaking in the future.

The event, “Dialogue on industrial cooperation under the CPEC and the SEZs Framework” was organised by Project Management Unit of Industrial Cooperation, under the Board of Investment.

After the opening session and remarks by the distinguished guests, a session on Industrial Cooperation under the CPEC was held, which comprised insights from various stakeholders.

The concluding session covered SEZs and Industrial Cooperation Framework, which included panel discussions to generate debate on various policy issues.

The BoI secretary explained to all the stakeholders that important findings and insights from the session would be presented to the higher forums of government for consideration and approval, therefore, paving a way to move forward on the second phase of the CPEC and development of the SEZs in Pakistan.