

PM Imran takes businessmen on board

KARACHI: Prime Minister Imran Khan made sure that representatives from the business community - the architect of economic growth - are taken on board to improve infrastructure of the mega city of ports and the economic hub of Pakistan.

"The infrastructure development in Karachi will also create an enabling environment for industrialisation," PM Imran was quoted as saying at a meeting held with industrialists and businessmen at Sindh Governor House on Saturday. During the meeting, the premier announced the much-awaited package worth Rs1.1 trillion to improve infrastructure for water, sewerage, solid waste management, transportation and road network.

Multiple projects in each domain are expected to be completed in maximum three-year time period in collaboration with the provincial government. He announced formation of two committees for the infrastructure projects and highlighted that stakeholders from the business community would be part of the committees.

PM Imran also agreed to consider relaxing his government's stance on industrialists with regard to payment of Rs400 billion on account of Gas Infrastructure Development Cess (GIDC) over the next two years, another meeting participant said.

Earlier, industrialists collected the cess from end-consumers on sale of textiles, cement, fertiliser and many other products over a couple of years in the past but did not transfer the amount to the government.

The Supreme Court has now ordered industrialists to pay the amount totalling Rs400 billion to the government in 24 monthly instalments.

Imran also discussed options to improve agriculture output in the country and asked his economic team to work alongside businessmen to improve agriculture yield.

In this regard, businessmen will meet Federal Minister for Planning Asad Umar, Adviser to PM on Finance Hafeez Shaikh and Adviser to PM on Commerce Abdul Razak Dawood in a week or 10 days' time. At the meeting, Karachi Chamber of Commerce and Industry (KCCI) President Agha Shahab Khan termed infrastructure development a must for industrialisation in the city aimed at gearing up economic activities nationwide.

Industrialisation will create job opportunities, distribute wealth among the masses and put economy and the society on the right direction, he said.

Federation of Pakistan Chamber of Commerce and Industry (FPCCI) President Anjum Nisar told the meeting that setting up an industrial unit in Karachi is a mammoth task while industrialisation remains a must for economic activities and prosperity of the nation.

"The cost of industrial land in Karachi and other parts of Sindh remains significantly high. The federal government should play its role in providing land at low prices like Punjab and Khyber-Pakhtunkhwa did in the recent past," he said.

He further told the meeting that industrialists cannot afford to pay the amount collected on account of GIDC. The scheduled payments will further increase sufferings of the business community.

"We have already incurred huge losses during the past six months under the Covid-19 crisis," he said. "We continued paying monthly salaries to retail staffers despite our industries remaining closed during the historic crisis and now the recent rainfall in Karachi has given us additional losses to bear."

He said, "We have decided to appeal to the court of law to review its decision in GIDC case. We want the government to soften its stance on GIDC."

The government understands that the industries cannot afford huge burden of paying Rs400 billion under GIDC at this time of crisis. "We are sure that the government will find a way to resolve the issue," he said. Korangi Association of Trade and Industry (KATI) President Sheikh Umer Rehan added that several companies may default and close down if they pay GIDC dues to the government. "The (financial) value of several companies is not equal to the sum they are supposed to pay on GIDC to the government."

He said the utility prices have remained significantly high and a big component in high cost of doing business. He urged the prime minister to make businessmen part of board of directors of utility firms like Sui Southern Gas Company (SSGC) and K-Electric.

He also urged Imran Khan to separately allocate funds for industrial zones.

"Industrial zones have their own infrastructure companies. We can develop infrastructure at the zones under public-private partnership." The prime minister was flanked by his Adviser on Finance Dr Abdul Hafeez Shaikh, Federal Minister for Planning Asad Umar, State Bank of Pakistan Governor Reza Baqir and Sindh Governor Imran Ismail.