



PUNJAB BOARD OF
INVESTMENT AND TRADE

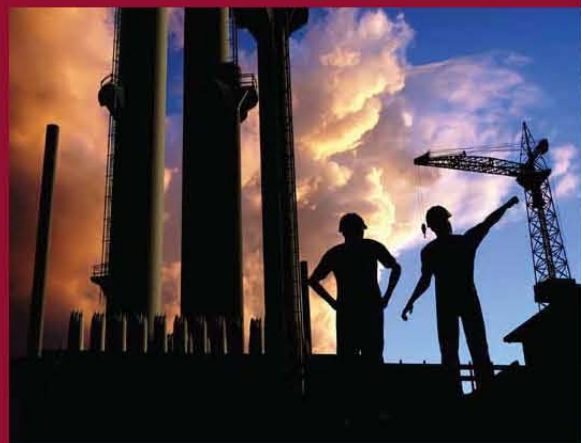
PBIT NEWS

Journal of Investment Promotion in Punjab

Branding Punjab:

Changing the way investments are attracted

Punjab Board of Investment and Trade since its inception in August 2009 has sealed MoUs worth over USD 1.96 billion for investment projects in the most industrialized province of Pakistan. This was achieved during a time when FDI dropped by over 41% in developing countries globally. The strategy which PBIT followed was two pronged a) Keep a focused approach on the local investors and only on a narrow list of friendly countries internationally and b) remove impediments for already committed investors by reviving stalled projects.



The main accomplishments in terms of events and conferences for the newly formed organization in 2010 are: The Energy Roundtable (May 7th, 2010) Karachi Investment Conference (May 3rd, 2010), The Pak-Türk CEO Forum (April 1st, 2010), The Lahore Investment Conference (Feb 4th, 2010) and Chamber Road Shows (March 3rd – April 6th). Chaired by the Chief Minister of Punjab, Mian Mohammad Shahbaz Sharif, these high level events had attendees from government, semi government, private sector business people in Pakistan and abroad who came to speak at the conference and provide recommendations to improve the investment climate. Recommendations and policy advisories from these events have been uploaded on the official PBIT website. www.pbit.gop.pk

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Punjab Investment destination

Punjab's most prized asset is the Human Capital of 93 million. Already resource rich, Punjab has infinite possibilities to become a world leader in food production and processing, stemming from availability of arable land and the largest canal irrigation system in the world. This region also factors among the top ten world contributions to citrus, milk, cotton, meat, rice, wheat and mango pulp production. Punjab holds the capacity to be the leading producer of these products and provides studies to support and nurture opportunities for new investments that yield high returns.

Editorial Board:

Saadiya Saadat
DG Marketing & Business Development

Aisha Sarwari
Director PR & Communications

About PBIT

Punjab Board of Investment and Trade (PBIT) is Punjab's premier Investment promotion agency linking Punjab to a global network of progressive investors – promoting projects with burgeoning potential and high IRR. This one-window-operation also facilitates investors by streamlining procedures and institutional processes through proactive policy advocacy within the government.

Based on the same core beliefs under which the Federal Board of Investment (BOI) operates, PBIT links directly to its federal counterparts at one end and also ties in with other subnational IPAs in the country. As a member of the World Association of Investment Promotion Agencies (WAIPA) created by the United Nations Conference on Trade and Development (UNCTAD) PBIT accesses best practices and has incorporated these into all aspects of its operations.

By cutting bureaucracies, PBIT's private sector focus has enabled investors to take advantage of the Punjab Government's liberal trade policies. PBIT has a wealthy Human Resource cache which brings with

it an expertise-based approach toward investment.

The creation of an independent company, outside the bureaucratic hierarchy, with such a mandate focused on facilitation of the private sector, is a manifestation of the provincial government's commitment to factor growth of private sector. This commitment originates in recognition of the fact that private sector has to be the main engine of economic growth, with the government being focused on its role of regulation, facilitation and providing an overall conducive environment for economic activity. To oversee the end-to-end process Punjab Board of Investment and Trade (PBIT) is managed by experts from the private sector as well as government interface technocrats with global expertise and vision. This organization is created to parallel successful Investment Promotion Agencies around the world.

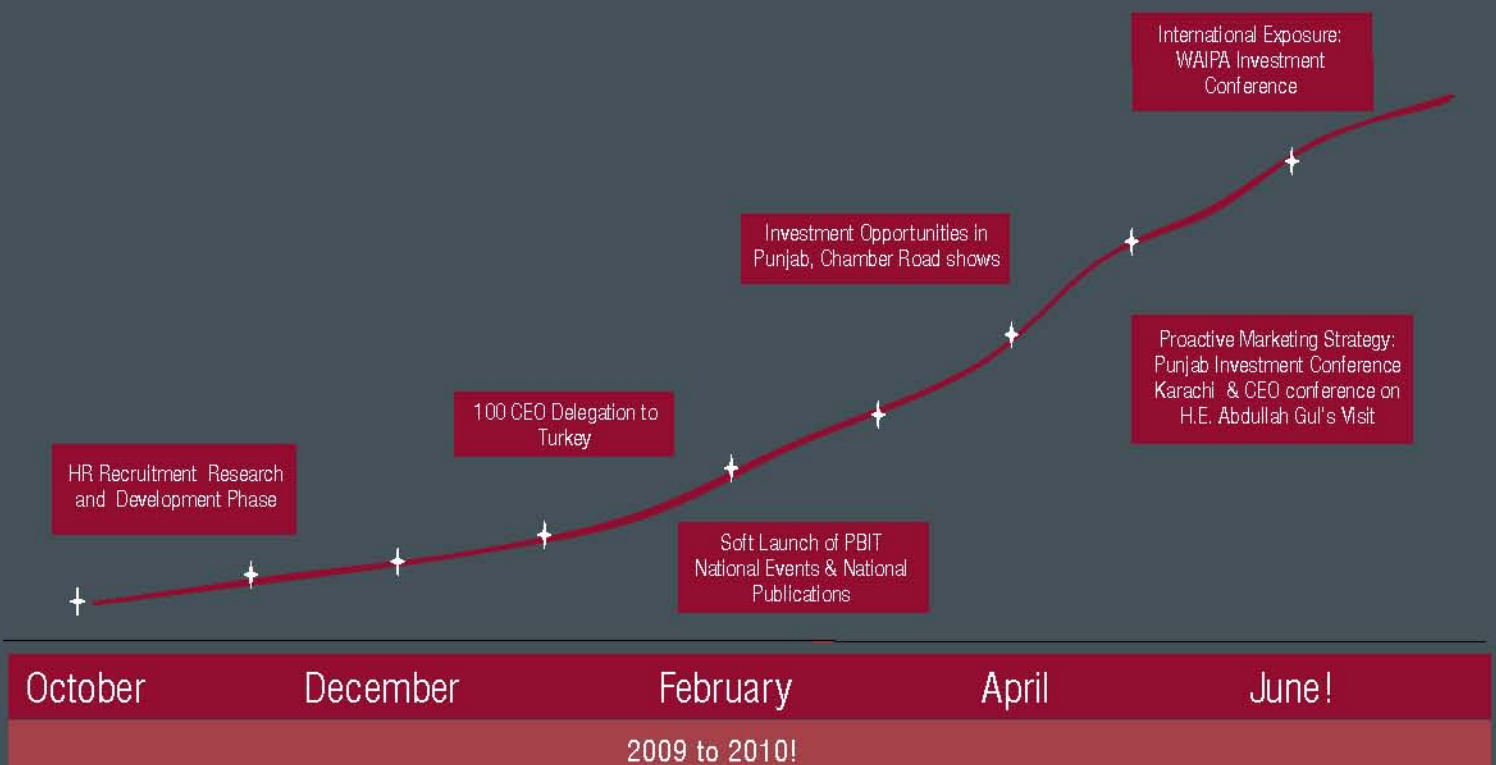
PBIT welcomes investors to Punjab and in preparation we have identified projects and pre-feasibilities in relevant areas.

Services PBIT Offers

- One-to-One Relationship
- Reduced Time to Market
- Link Relevant Government Departments
- Matchmaking between International businesses and local businesses



Mapping PBIT Objectives With Activity



Marketing Activities



From events to publication outreach PBIT is adopting an all inclusive strategy to attract FDI in the province through local and international activities

Collateral publications in 2010 include: A 6-Page Supplement called the Punjab Economic Review which was published in a leading Daily for investors covering all sectors of the economy on April 19th 2010 and a similar supplement on Feb 4th as well as a 8 page Supplement with the Turkish Hurriyat newspaper on the investment opportunities in Punjab on January 13th, 2010.

PBIT has played a pivotal role in the success of the Chief Minister's tour to Turkey in January. PBIT orchestrated a diverse group of business people from all leading Chambers of Punjab to represent their business opportunities from areas as far reaching as Multan and Bhawalpur. According to Turkish estimates this trip alone generated an investment guarantee of USD 600 for the province of Punjab.

No organization can function in a vacuum and hence PBIT prioritized on structural integration of this newly formed investment promotion agency. This has been done through constant correspondence with Chambers, Ambassadors, DCO's, Secretaries and Federal Ministers when planning relevant activities. Specifically with regard to chambers integration, PBIT executed 14 chamber road shows all across Pakistan, from Peshawar to Rahim Yar Khan to access and understand the central businesses operating in those regions for future matchmaking.

To illustrate seamless interdepartmental interaction, The Cholistan Project was initiated as a test case to market the 50 acre farms to investors interested in setting up a livestock facility. This links directly into the Chief Minister's plan for promoting Punjab as an export hub for Halal Meat. The Federal ministry of Livestock, The Department of Livestock and Dairy Department and the Cholistan Development Authority came together to produce marketing collateral.

All material and activity schedule is updated on the PBIT website for future reference.

Outcomes:

Board of Investment (BOI) accompanied business tour to South Korea - 19th October 2009

American delegates, Robin Rafael and Paul Brinkley call on Vice Chairman PBIT to discuss advice on projects to invest in Punjab - 3rd Nov 2009

Vice Chairman PBIT visits Karachi investors and presents opportunities in Punjab - 22nd Nov 2009

PBIT launches USD 350 million University Town in Punjab - 7th Dec 2009

Norway and Argentinean Ambassadors visit PBIT to map investment opportunities - 11th Nov 2009

PBIT hosts South Korean Lotte Group and introduces various local businesspeople to the Lotte Group for business matchmaking- 16th Dec 2009

PBIT's high profile visit to Turkey accompanied by 100 private sector delegates from Punjab - 12th Jan 2010

PBIT visits Nankana Sahib's Rural Community Development Society (RCDS) to assist farmers in linking to the markets -16th Jan 2010

PBIT launches Punjab's first Investment Promotion Conference- 4th Feb 2010

PBIT organizes Carbon Trading Conference with UNIDO, Lahore Chamber of Commerce & Industry and the Ministry of Environment of the Government of Punjab-17th March, 2010

Nation wide Chamber RoadShows March 3rd - April 6th, 2010

PBIT actively participated in Solar Energy Conference in PC Hotel Lahore in April 2010

PBIT host first of its kind Pak-Turk CEO-Forum in Lahore - 1st April 2010

Karachi and Punjab Investment routes discussed at landmark conference in Karachi organized by PBIT - 3rd May 2010

Energy Round Table Discussion under CM Punjab in Lahore in 7th May 2010

European Ambassador Dinner Meeting with Chief Minister Punjab- 5th June 2010

PBIT elected as South Asia Representative to WAIPA Steering Committee (2010 – 2012) – 29 June 2010

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Project Development Report

The Projects wing has proactively shortlisted, promoted and packaged the investment opportunities for Punjab as the report below outlines.

The projects department has been working with the mission to help develop investment projects for Punjab that contribute to the province's prosperity, create employment opportunities and bring about socially and environmentally sustainable growth by mustering all local, provincial, and national resources and linking them with local and global capital.

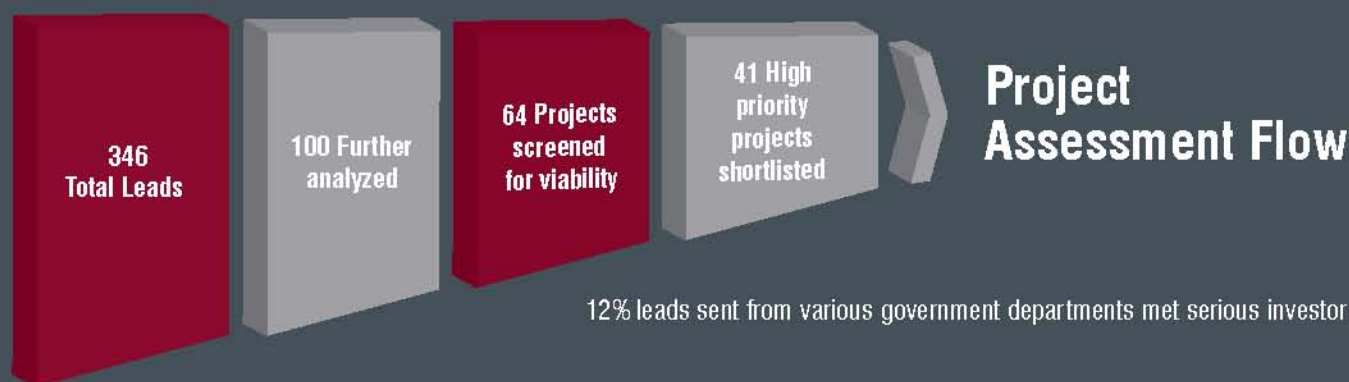
A total of 65 projects (including other initiatives) have been processed by projects wing to date. Of these, 17 Greenfield project profiles have been developed in sectors ranging from agriculture, energy to manufacturing. These projects have been aggressively marketed at all conferences and exhibitions including the Karachi and Lahore Investment Conferences. The marketing has led to significant investor interest and now the wing is looking to materialize these projects in the near future. The projects wing has also received LOIs and MOUs for projects with a total investment outlay of USD 1.96 billion.

On the facilitation side projects wing has been involved in providing frontend facilitations and matchmaking to walk in investors as well as generating 16 facilitation requests for relevant intervention from various government departments. Of these, notable front end facilitations

include; revitalizing the establishment of Sargodha Industrial Estate, facilitation to RCDS a local NGO working in Sheikhpura and Nankana Sahib in the form of arranging two cooling tanks for milk collection and a senior consultant from Netherland (PUM) to improve their marketing channels and helping set up animal tagging projects in collaboration with Belgium Blue Cattle Farms.

Projects wing also undertook Chamber Road Shows in leading chambers of the province including Lahore, Gujranwala, Sahiwal, Rahimyar Khan, Sialkot, Faisalabad, Bahawalpur, Sargodha, Rawalpindi, Multan, Gujrat and Peshawar. The event highlighted potential investment projects to leading investors from each chamber. Through the road shows, PBIT is now recognized and appreciated in all parts of the province as the leading investment promotion agency. Other special initiatives by the wing include position papers and road maps on, Halal Meat Export, Punjab Textiles Industry and Gas Load-shedding, Iron Ore Development and Power generation from Sugar Mills.

The wing is also taking a 20 member delegation to Australia in collaboration with AUSTRADE. The objective is to source specialist expertise and technology from Australia in the fields of Agribusiness, Livestock, Dairy, Technical and Vocational Training and Mining. The delegation will be in interaction with companies in Perth, Melbourne, Sydney and Brisbane.



Company Name	Project	Investment
Gencer Group	Lahore SWM, LOI received at Turkish CEOs Forum	~USD 80 Million
ABS Netherlands	New City	~ USD 317 Million
Matco Rice	Rice processing plant at Sadoki Gujranwala	~ USD 17 Million
Matco Rice	50 MW power plant	~ USD 65 Million
CFE Eco Tech Belgium in JV with Rahimtoola Group	Water supply and infrastructure development	~ USD 12.7 Million
T&N Group and China Engineering and Construction Company	200 MW power plant	~ USD 360 Million
M/S Iran – Pak (SUNIR)	200 MW power plant	~USD 30 Million
Australian Investor through Honorary Investment Councilor Western Australia	Iron Ore	~ USD 1 Billion
Telenor	Renewable Energy Projects	~ USD 2 Million
Chatham Resources Limited Canada	50 MW power plant	~ USD 80 Million
	Total	~ USD 1.96 Billion

Investment and Trade Facilitation Report

The facilitation and administrative wing has executed its support functions in an exemplary way since PBIT inception. Below are some positives:

- Policy Recommendations on Alternate Dispute Resolution
- Investment-friendly policies were recommended to BOR, Punjab, and LDA for Legal Reforms Committee
- Policy papers on Sugar crisis, Distribution of electricity by provinces, Storage of sugar, Meat industry and its potential
- Facilitated German company, Azur Solar for setting up a 50 MW solar plant on 250 acres of land near Grid station about 75 km from Multan
- Provided assistance to Green Life of Turkey in establishing a seed processing facility which required 500 hectares for the farm and 5 hectares for a seed processing unit
- Facilitated meeting of Applicon Technologies of Australia delegates with Mr. S M Tanveer, and CEO Punjab Power Development Company for establishment of energy projects
- Assisted Engro Foods in demarcating land for the establishment of a composite rice processing facility on Sheikhpura Road
- Facilitated Rajah Rashid Basharat, an expatriate Pakistani who wants to install a cement plant in Chakwal with an estimated investment of USD 200 million
- Facilitated Coca Cola Pakistan & Afghanistan in installing a USD 100 million concentrate plant near Lahore
- Provided assistance to country manager of EKSOY Turkey for resolving a dispute with a local distributor
- Facilitated Davis Energen for leased land as collateral for Bank financing
- Sand Bloom, which is a joint venture of Pakistan and Norway has been assisted in solving a security threat and water scarcity that threatened their exports
- British Oxygen was facilitated in establishing a new manufacturing plant, involving investment of about Rs. 2 billion, preferably in Sunder Industrial Estate
- Sheikho Sugar Mills was facilitated in selling power to MEPCO
- Moon Traders in Karachi have been assisted to acquire a building plan in Sundar Industrial Estate
- Provided assistance to Tivoli Towers in resolving an issue with LDA for a project worth 1.2 billion rupees
- Assisted Iqra University to establish their campuses in Punjab
- Provided Corporate Legal Advice to Secretary C&W regarding formation of a section 42 company and other legal problems being faced by C&W
- Provided legal support to other line departments such as TEVTA & Higher Education

MOU and Agreements:

- City of Glasgow, Scotland and Secretary Commerce and Investment for public safety
- Following is the detail of Agreements with Iran
 - Mashhad Meat Industrial Complex and Lahore Meat Company for a slaughter house at Multan Road Lahore
 - Technical Services Consultancy Agreement between Mashhad Meat Industrial Complex and Lahore Meat Company
 - PHA, Lahore and Municipality of Mashhad for establishment of floriculture and flower plant production centre
 - Municipality of Mashhad and Government of the Punjab for solid waste management
 - Lord Mayor of Mashhad and DCO Lahore for comprehensive urban management and planning
 - Lord Mayor of Mashhad and DCO Lahore in various fields including but not limited to transport system
- PBIT and VEPOWER for the acquisition of land
- Secretary Higher Education and Institute of Education and Counseling Municipalities of Khorsan Razavi province
- PBIT and Ismail Power for providing facilitation in 50 MW coal based power project
- Iran Pak and PBIT for providing facilitation by PBIT to Iran-Pak for their 50 MW coal based power project
- Drafted and reviewed 4-5 Turkish MOUs during the Turkey visit of CM
- TOBB and PBIT for exploring trading opportunities between the two countries Turkey and Pakistan in Manufacturing
- DeLaval and PBIT for the establishment of dairy farms
- PHA and PBIT for providing one window facilities for all PHDEC projects in the Province of Punjab
- ABS Netherland and PBIT for establishment of a university town
- Iran and Punjab for power generation



PBIT in pictures



US Council General visits PBIT



EU Ambassadors dinner with CM



EU Ambassadors dinner with CM



Energy Round Table



Energy Round Table



Punjab Investment Conference, Karachi



Punjab Investment Conference, Karachi



Punjab Investment Conference, Karachi



PBIT Press Conference, Lahore



Chamber Roadshow



Chamber Roadshow



Pak -Turk CEO forum

PBIT in pictures



MOU Signing With Turkey



Delegation From UNIDO Visit PBIT



Paul Brinkley's Visit to PBIT



ABS Netherland's Management



Barcons Team Calls on PBIT



Carbon Trading Workshop



Thailand Ambassador Visits PBIT



Punjab Investment Conference, Lahore



Punjab Investment Conference, Lahore



Punjab Investment Conference, Lahore



Pak Delegation to Turkey



Pak Delegation to Turkey

Publication Highlights

Print Media:

Local

- 2 detailed supplements about Punjab Government's Investment Promotional Activities
 - 4 page comprehensive supplement about Punjab Investment Conference, Lahore -4th Feb, 2010
 - 6 page Punjab Economic Review in leading daily – 19th April, 2010
- Various full and half page ads in leading newspapers
- E- marketing/online ads

International

- 8 Page Supplement in Turkish Hurriyet
- Turkish translations of Investor Guide

Position Papers

- Power generation from sugar mills
- Storage of sugar
- Sugar crisis
- Meat Industry and its potential
- Iron Ore Development Roadmap
- Punjab Textile Industry & Gas Load shedding
- Issues of PREGMA sector
- Road map for Halal meat export
- Project Development Company
- Issues Facing Power Loom sector
- Free Trade Access for Pakistani Textiles for US market
- Rental Power Project
- Kerry Lugar Assistance Bill



Electronic Media:



DAWN TV



Metro One



Punjab TV



Value TV



Dunya TV



Sindh TV

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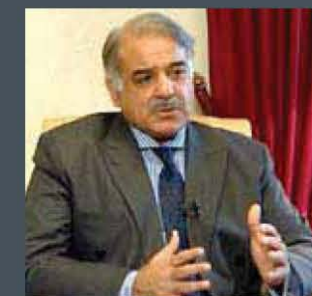


Dunya TV



Sindh TV

Punjab Potential



Muhammad Shahbaz Sharif
Chairman PBIT /
Chief Minister Punjab

"This government has the political will and the political sense to provide full support to investors who can promote public-private partnerships, private-private partnerships and attract investment in areas that were considered unprofitable in the private sector, such as coal-based power and hydel power generation"



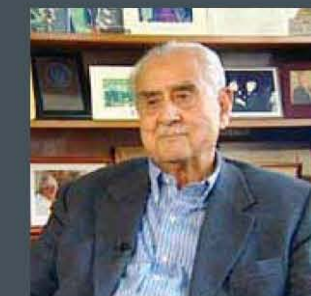
Pir Saad Ahsanuddin
VICE CHAIRMAN/CEO PBIT

"The combinations that an intuitive investor looks for are all here in Punjab – The province has a large untapped market with a skilled and cost competitive labor force and a GDP in excess of USD 276 billion. A liberal investment infrastructure and rich fertile land have produced a thriving agricultural industry that supports over a quarter of the population of Punjab."



Fazal Abbas Maken
COO PBIT/ Secretary C&I

"The business potential is tremendous in Punjab. Punjab is the most industrialized province of Pakistan and its manufacturing industries produce textiles, sports goods, machinery, electrical appliances, surgical instruments, metals, bicycles, floor coverings and processed foods. Punjab is among high-growth regions with specifically high IRR figures in agriculture, housing and power sectors."



Syed Babar Ali
Chairman Packages Limited

"Punjab offers a very good base to set up industry. Also for the consumption of your produce, provided it is related to what people want, the consumer industry is very powerful here. There is a very large agriculture base, we produce cotton yarn, cloth and garments and Punjab provides the basic raw material for export purposes."



Mohammad Mian Mansha
Chairman Nishat Group

"I started with a textile mill and further moved on to many projects and different businesses including banking, cement, textile and power generation. Punjab has treated us very well. There is a proper administrative system here and a good legal system. Also, the infrastructure here is the best in the region."



James Scott
International Operating Officer Metro

"We were very welcomed as a foreign investor. We also felt that we found a good source of intelligent people so we know that this is an environment where people were entrepreneurial with a business mindset. This was an environment where people were looking to grow and looking to learn. These were the main reasons why we chose Punjab as our center and why we came to Pakistan."



Roshaneh Zafar
President Kashf Foundation

"If you look at the expanse of the province, I think one of the most amazing things one realizes by starting the work of microfinance in Pakistan is that Punjab is the cradle of entrepreneurship. It is an area where through the ages entrepreneurship has thrived. Punjab has a lot to offer in terms of infrastructure, human resources, and creativity."



Asad Umer
President Engro Corporation Ltd.

"Engro's own experience demonstrates how Pakistan's fundamentals offer attractive opportunities. Our company is currently one of the largest private sector investors and is involved in projects like fertilizer, petrochemicals, power generation and food processing. Favorable investment climate has contributed significantly in achieving this feat for the company."

Supporting Partners

Alliance with Government Departments



"In Pakistan, we are pursuing one of the most liberal investment policies. We are also establishing country specific economic zones like the one for China, Turkey, Korea and Japan."

Saleem H. Mandviwalla, Minister of State/Chairman, Board of Investment (BOI)



"We are striving to become: (a) a centre of excellence in our mandated areas to accelerate economic growth and foster employment generation; (b) a pre-eminent repository and provider of multi-sectoral capacities, analyses and services in the areas of trade and investment."

Fazal Abbas Maken, Secretary Commerce & Investment



"Agriculture is a primary sector and we would like private sector to invest in agriculture research and marketing. We are ready to incentivize through Joint Venture with clear strategies that it would be private not public"

Arif Nadeem, Secretary Agriculture



"Livestock sector provides many fruitful investment opportunities which include working on meat marketing and cold chain network"

M. Jehanzeb Khan, Secretary Livestock



"For affordable housing, initiatives have been taken to focus on local investors and to facilitate investment process in housing sector"

Irfan Ali, Secretary Housing



"The world's largest and inexhaustible deposits of pure rock salt are available in the salt range, Punjab which has enormous untapped potential to maximize revenue generation"

Saif Ullah Chatta, Secretary Mines & Mineral



"Buildings are the source of inefficiency as 35% of energy is utilized in buildings. In Pakistan, 20% of energy can be saved through energy conservation"

Zubair Javed, CEO PPDCL

Future Outlook



Rizwan Khan
Honorary Vice Chairman PBIT

It seems remarkable that only a year has passed since the PBIT initiated operations. So much has happened under the vibrant stewardship of the CEO, Pir Saad Ahsanuddin. He has firmly laid the foundation of a dynamic organization and of a spirited and committed team. In this brief period we have witnessed PBIT take a start with actively marketing the potential of Punjab throughout the country, and moving on to taking the Punjab Promise internationally. Of special mention are the efforts of January this year, in attracting Foreign Direct Investment (FDI) through organizing the Chief Minister Punjab's visit to Turkey along with a 100-strong business

delegation. Other notable PBIT initiatives worth mentioning are nationwide Agri-business Chambers Road Shows, CEO Meet on the occasion of Turkish President, H.E. Abdullah Gul's visit to Punjab and several other conferences and policy papers. Last but not least, in less than a year, the Project Development & Facilitation work done by the PBIT has led to a USD 1.9 billion investment pipeline being established, in terms of MoUs and Expressions of Interest relating to various investment initiatives.

Now in this limelight created by the PBIT already, I humbly step in as the Vice-Chairman of PBIT. Although my formal relationship with the PBIT began only recently, I bear witness to the work that has been put in by the team and look forward to leading it towards greater achievements in the coming days, with honesty, transparency and striving for excellence as our core values.

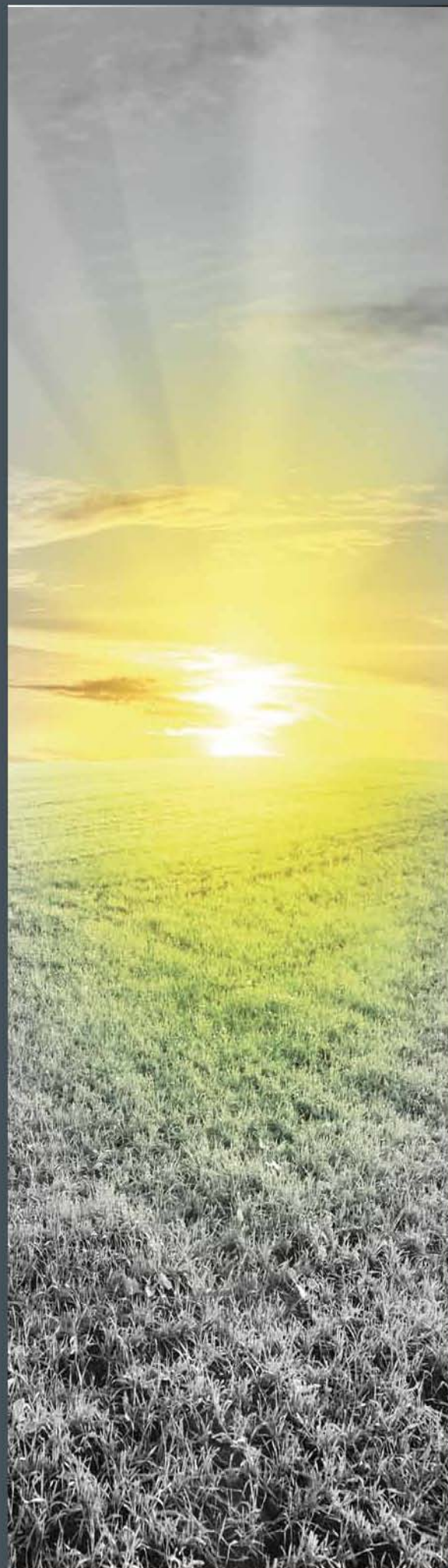
Punjab today is facing certain obstacles; some more pronounced than others. The law and order situation prevailing across the country is one, with the perceived threat from this deterring FDI inflows. Perhaps an even more grave threat to investment and business in general, is the shortage of even basic infrastructure and utilities like uninterrupted supply of electricity. These are obstacles that even PBIT must try and address. And address these we must, for the successes that PBIT has already achieved in fostering investment, is testament to the fact that the potential of Punjab far exceeds the perceived issues & challenges.

Looking ahead, over the next year, PBIT will actively engage in benchmarking with the best practices of International Investment Promotion Agencies (IPA's), to have a truly global outreach to maximize Punjab's investment and trade potential. To this end, I have already asked the team to focus for the next year on specific opportunities within the eight sectors that fall under PBIT's mandate. We will be looking to develop some strong and sustainable projects in the fields of mining and minerals, energy, agriculture, livestock and manufacturing. Our target will be to generate over USD 1 billion worth of Greenfield investment in the Punjab. I remain confident that as the world comes out of the economic downturn and business and economic activity begins to accelerate, the financial year 2010-2011 will be a milestone year for Punjab and for PBIT.

I eagerly look forward to working with you all towards achieving our goals.

Best regards,

Rizwan Ullah Khan
Honorary Vice Chairman PBIT



Upcoming projects Highlight

5 Naptha Cracker Plant

6 Jebel Ali Free Zone Authority – Special Economic Zone in Punjab

7 Marketing of Chiniot and Rajoa iron ore reserve

2 Coal based power generation from sugar mills

1 Cholistan Livestock Farms

3 Development of Pakistan into a global cluster for Gems and Jewelry manufacturing

4 Commercialization of Gypsum for land reclamation

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