

CPEC is an FDI magnet: PBIT chief

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China-Pakistan Economic Corridor (CPEC) is a business magnet attracting investment from Europe and other regions; 46 billion dollars from China means many more chunks of 46 billion dollars from other countries of the world which have started negotiating economic deals with Pakistan; there are a number of additional 'B-to-G' projects worth billions that are in addition to 'G-to-G' \$46b China-Pakistan package; KPK's ruling party's Senator is setting up a Rs5 billion industrial unit in Punjab, impressed with the province's immense development.

These views were expressed by Abdul Basit, Chairman, Punjab Board of Investment and Trade (PBIT) and former Senior Vice President, Lahore Chamber of Commerce and Industry, in an exclusive talk with The News.

Before proceeding further, Basit was asked to explain the terms, 'B-to-G' and 'G-to-G'. According to PBIT chief, 'B-to-G' stands for Business to Government meaning thereby private sector's collaboration with government while 'G-to-G' means government to government.

What then is CPEC's position? It is a 'G-to-G' deal which is acting like a magnet and motivating private sector of Pakistan and of foreign countries to do business over here with the cooperation of Pakistan and Punjab governments.

"In fact, this word 'magnet' was used the other day by the ambassador of Hungary to Pakistan during his meeting with the Punjab Chief Minister Mian Shahbaz Sharif in which the PBIT seniors were also present to discuss new vistas of economic cooperation with foreign governments and entrepreneurs. The ambassador, addressing the CM, said that CPEC was a magnet attracting more and more foreign investment from different corners of the world including the advanced world".

Basit told The News further that in the B to G sector, Golden Bean Group of companies of China is establishing a Rs32 billion Amusement Park in Lahore. The PBIT is now finding suitable land for that which will be bought with Golden Bean's investment. The location will be a central spot for adjacent cities, as well, Kala Shah Kaku being the first choice. The company would also build 96-km Khanewal to Lodhran road with its own investment on PPP (Public Private Partnership) basis and collect the toll tax for a few years and after having recovered its investment, the company will hand over the projects to the Punjab government. Besides these projects, an apparel park worth billions is being built near Sheikhpura. The land would be provided by Punjab government i.e by Punjab Industrial Estate Development and Management Company (PIEDMC). The Chinese companies establishing their industrial units like that of leather and textile garments etc will be financed by one of the world's biggest banks namely ICBC of China.

This apparel park is going to be one of the prime projects of China as it is going to generate foreign exchange worth billions, said Abdul Basit. Here, the PBIT chief ventured to explain the main reason

behind this gigantic project which according to him, is GSP Plus status that Pakistan enjoys with tremendous benefits accruing out of this collaboration to both Pakistan and China.

The other main reason for foreign investment's inflow, especially Chinese investment's inflow in Pakistan is our country's contiguity and proximity with countries that consist of half the population of the globe. Wise leaders like Chinese president and premier are farsighted enough to grasp this reality. They look ahead into the far future even five decades from now and have complete insight into developments in the making, added Abdul Basit.

Another huge Chinese conglomerate Sino Steel has offered to build small hydel power stations up to 50MW each (during their visit to PBIT office a few days back). The company has also shown interest in investing in 135-MW Taunsa hydel project. It will also manufacture LED lights which would replace the present street lights in all big cities of Punjab. Total replacement and maintenance cost would be borne by the Chinese company which would be paid back in terms of savings incurring from the difference between sodium and LED lights. This payback will continue for four to five years following which the project would become a property of the Punjab government.

As per the PBIT head, the governments of Mian Nawaz Sharif and Mian Shahbaz Sharif are not stopping at any point and plan to take further steps to enhance foreign investment. As such, PBIT is holding a seminar on November 6 and 7 next with the title, "Investment opportunities in Punjab" in which more than 100 Chinese investors have confirmed their participation. Turkish companies are also participating in the seminar. Moreover, PBIT senior leaders are also paying visits to these countries to make it a yet greater success.

Quoting an example of the good impression of development in Punjab, Abdul Basit told The News that a Senator from KPK's ruling party, Noman Wazir Khattak, impressed with Punjab's immense development, has decided to set up a steel plant in Muridke with an investment of five billion rupees. PBIT is facilitating and assisting the Senator by way of endeavouring to get the area declared as a special economic zone since the project aims at providing 4,000 jobs. Saying a few more words of appreciation about CPEC, Abdul Basit said it owes to the vision of Chinese leadership and PM Mian Nawaz Sharif. It is a gift to the Pakistani nation just like the gift of independence that Pakistanis got in 1947. As for 46 billion dollars, it is just a beginning. Many more 46 billion dollars will soon be in the pipeline as countries like US, Canada, Australia and of the European region have shown interest in investing in Pakistan's economy in the wake of initiation of CPEC projects. They also want to keep their presence in the strategically important Pakistan. Iran has rather formally asked for its inclusion in the CPEC.

The PBIT chief has appealed to all the politicians not to take CPEC as an opportunity coming Mian Nawaz Sharif's or PML-N's way. Instead, they should take it as an opportunity for the entire country, if they are sincere with their homeland. The fact is that it is not only a road but a combination of big projects including the energy projects.

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