

U.S.-PAKISTAN BUSINESS COUNCIL Newsletter



www.uspakistan.org

United States Chamber of Commerce

April 2004

PAGE 5 Signing Ceremony Witnessed by The Honorable Shaukat Aziz

INSIDE

PAGE 6 Ex-Im Bank Announces Financing Opportunities for U.S. Exports to Pakistan's Public Sector

Cover Story

U.S.-Pakistan Business Council Executive Delegation to Pakistan March 15-19, 2004

Fifteen senior executives from leading U.S. companies participated in the first delegation organized by the U.S.-Pakistan Business Council to Islamabad, Lahore and Karachi, Pakistan from March 15-19, 2004. The delegation was led by Dr. Herbert J. Davis, the U.S. Chamber's Vice President for South Asia, Middle East and Africa Affairs. The corporate mission leader was Ahmet Bozer, USPBC Chairman and President of Eurasia and Middle East Division of Coca-Cola. Ambassador Ashley Wills, U.S. Trade Representative for South Asia, attended meetings of the delegation with government officials in Islamabad. Esperanza Gomez, Executive Director of the USPBC, accompanied the delegation. The executive mission's goal was to engage with senior Pakistan government officials and Pakistani business organizations regarding recent developments in the country's business environment and to explore new areas for investment.



Members of the U.S.-Pakistan Business Council (USPBC) Executive Delegation and Officials of the Board of Investment in Islamabad.

The delegates held meetings with senior Pakistani government officials in Islamabad including: Minister of Foreign Affairs Mian Khursheed Kasuri; Minister of Finance Shaukat Aziz; Minister of Commerce Humayun Akhtar Khan; Federal Minister for Investment and Privatization, Dr. Hafeez Shaikh; Minister of Information Technology Awais Ahmad Khan Leghari; Secretary of Commerce Kamal Afsar; and Chairman

of the Senate Mohammad Mian Soomro. The delegates also met with Governor of Punjab, Lt. Gen. (Ret.) Khalid Maqbool in Lahore. The officials of the Government of Pakistan called for a review of the U.S. travel advisory to enable effective trade relations and highlighted that the U.S. visa policy makes it difficult for Pakistani business representatives to visit the U.S.

Speaking on behalf of the delegation, USPBC Chairman Ahmed Bozer, praised the Government of Pakistan's efforts to improve the economic performance of the country and noted that strong U.S.-Pakistan relations provide a better environment to attract investment into Pakistan.

U.S. Ambassador Nancy Powell briefed the delegation on the role of the U.S. Embassy in business facilitation, U.S. assistance to Pakistan, and U.S.-Pakistan relations in

general. In addition, the delegates met with representatives from the Lahore Chamber of Commerce, the Federation of Pakistan Chambers of Commerce and Industry, and the American Business Council of Pakistan (AmCham) in Lahore and Karachi.

Throughout the meetings with government officials, the delegates expressed strong support for the Government of

Continued on page 2 

Cover Story

Continued from page 1

Pakistan's move to liberalize investment laws and to further increase U.S. foreign direct investment. The delegates



(L to R) Ambassador Ashley Wills, U.S. Trade Representative for South Asia; Humayun Akhtar Khan, Minister of Commerce, Islamic Republic of Pakistan; and Kamal Afsar, Secretary of Commerce, Islamic Republic of Pakistan meet at the Ministry of Commerce in Islamabad

suggested areas where they felt the government could improve the climate for foreign direct investment. These areas include: clarification and implementation of intellectual property rights laws, as well as effective execution of government policies to promote foreign direct investment. The delegates also stressed the need to promote Pakistan as an attractive venue for U.S. investment and stressed the need



Commerce Minister Humayun Akhtar Khan greets Chairman of the U.S.-Pakistan Business Council and President of Eurasia and Middle East Division of Coca-Cola Ahmet Bozer at the Commerce Ministry in Islamabad

for an international public relations campaign so U.S. businesses success stories in Pakistan can be shared abroad.

Dr. Davis highlighted that this was the first executive mission of the U.S.-Pakistan Business Council and noted that the

delegation included several Pakistani-Americans, who are the bridge builders between the two countries. He said that if they achieve success in sales and investment in Pakistan, others will follow.

Federal Minister for Privatization and Investment Shaikh stated that the continuity and consistency of the economic, trade and investment policies of the Government of Pakistan over the last four years had increased the level of confidence among local and foreign investors. Minister Shaikh noted that Pakistan offered investors a level playing field without any restriction on bringing in or taking out capital or having joint ventures in any sector. The Minister also called for a review of the U.S. travel advisory to Pakistan, which he said discourages U.S. investors from visiting the country.

Finance Minister Aziz stated that sectors like oil and gas infrastructure, real estate and construction, agriculture,



Dr. Herbert J. Davis and Finance Minister Shaukat Aziz

telecommunications and IT offered a host of opportunities for foreign investors to invest in Pakistan. Specifically, he noted that Pakistan's deregulation of the banking and telecom sectors provides investment opportunities for U.S. companies. He added that the Government of Pakistan has major development plans with a focus on investment in its infrastructure. Minister Aziz invited overseas Pakistanis to play a crucial role in image building abroad and encouraging their American counterparts to do business in Pakistan.

Foreign Minister Kasuri briefed the delegates on recent political developments in Pakistan and the government's economic accomplishments. He also emphasized the need to review the U.S. travel advisory and noted that that the language in the advisory should be business friendly. In addition, Minister Kasuri mentioned that the U.S. visa policy makes it difficult for Pakistani business representatives to obtain visas.

Continued on page 3

Cover Story

Continued from page 2

Commerce Minister Khan stressed the point that close commercial relations with the U.S. are necessary for Pakistan's continued economic growth and its integration with the world economy. In response to the delegation concerns on intellectual property rights, Minister Khan announced that the Government of Pakistan plans to establish the Pakistan Intellectual Property Rights Organization (PIPPO), which will be responsible for examining the implementation of the intellectual property rights laws including protection of trade marks, copyrights and patents. Minister Khan also noted that the Ministry of Commerce has established an IPR Advisory Committee with private sector and NGO participation.

The Ministry of Commerce of the Government of Pakistan announced on April 8, 2004 that the Pakistani Cabinet approved the draft legislation to implement PIPPO. The bill creating PIPPO must be considered by the Parliament in order to be signed into law.

The executive delegation included companies that have had successful business ventures in Pakistan and that are looking for continued expansion, as well as those exploring new investment opportunities in Pakistan. The following business executives participated in the executive mission: Corporate Mission Leader Ahmed Bozer, President, Eurasia and Middle East Division, Coca-Cola; Farukh Aslam, Vice President, Touchstone Communications, Inc.; Sal Aziz, President and CEO, Delta Matrix, Inc.; Richard Brecher, Director, Global Business Relations, Motorola; Najeeb Ghauri, Chairman, NetSol Technologies, Inc.; Edward Jackson, Chairman and CEO, Sweetwater International, Inc.; Zoff Khan, Director, Business Development, Middle East, Africa and Pakistan, Motorola; Asheesh Khaneja, Executive Director, Business and Strategy Development, Asia Pacific, Oracle Corporation – Singapore; Pervaiz Lodhie, President and CEO, Ledtronics, Inc.; Kursat Ozkan, Corporate Regional Executive, General Electric; Adeel Shah, Chairman and CEO, Telnia Corporation; Furqan H. Siddiqi, Vice President, Asia, Synergies Energy Development; Thomas R. Slone, Chairman and CEO, Touchstone Communications, Inc.; C. Nigel Thompson, Executive Director, Economic and Development Strategy, Merck & Company, Inc.; and Abubaker Vakil, Board Member, Lights of America, Inc.

The U.S. Chamber of Commerce has been a strong supporter of increased and strong commercial relations with Pakistan. Through the USPBC, the U.S. Chamber of Commerce remains committed to promoting Pakistan as an attractive venue for U.S. investment and further increasing U.S. foreign direct investment in Pakistan. ■



USPBC Delegates meet with Foreign Minister Mian Khurshid Kasuri in Islamabad



Ambassador Ashley Wills, U.S. Trade Representative for South Asia and Dr. Hafeez Shaikh, Federal Minister for Privatization and Investment, Islamic Republic of Pakistan



Ahmet Bozer, Chairman of the U.S.-Pakistan Business Council and President of Eurasia and Middle East Division of Coca-Cola presents gift to Shaukat Aziz, Minister of Finance, Islamic Republic of Pakistan

Cover Story Pictures



Ahmet Bozer, Chairman of the U.S.-Pakistan Business Council and President of Eurasia and Middle East Division of Coca-Cola presents gift to Dr. Hafeez Shaikh, Federal Minister for Privatization and Investment, Islamic Republic of Pakistan



Finance Minister Shaukat Aziz addresses U.S.-Pakistan Business Council delegates



(Center) Dr. Hafeez Shaikh addresses delegates at the U.S.-Pakistan Business Council at the Board of Investment headquarters in Islamabad



Delegates of the U.S.-Pakistan Business Council Executive Mission meet with Board of Investment officials at their headquarters in Islamabad



(L to R) Tom Slone, Touchstone Communications; Farukh Aslam, Touchstone Communications; and Richard Brecher, Motorola, Inc. attend meeting with Finance Minister Shaukat Aziz



U.S.-Pakistan Business Council Chairman Ahmet Bozer; Dr. Herbert J. Davis, U.S. Chamber of Commerce; Finance Minister Shaukat Aziz; and Ambassador Ashley Wills, U.S. Trade Representative for South Asia



The Honorable Humayun Akhtar Khan, Minister of Commerce of the Islamic Republic of Pakistan and Delegates of the U.S.-Pakistan Business Council Executive Mission discuss investment opportunities in Pakistan

Signing Ceremony Witnessed by The Honorable Shaukat Aziz

On Tuesday, March 16, Finance Minister Shaukat Aziz witnessed the signing of two agreements by Sweetwater International, Inc., a Charter Member of the U.S.-Pakistan Business Council, with two Pakistani companies. Sweetwater International, Inc. provides a powerful tool for managing salt affected soils, in particular, saline and/or sodic waters and soils. The heart of the process is the multi-patented Sweetwater Solution Generator™.

Edward Jackson, President and CEO of Sweetwater International, signed a distributor agreement with Mr. Mushtaq Ahmad, Chief Executive of Life Technologies, (Pvt.) Ltd. The objective is to begin distribution on a national level to provide reliable, in-country support with a local partner for service, training and backend operations in the country.

Mr. Jackson also signed a Memorandum of Understanding (MOU) with Mr. Asif Siddiqi, Managing Director for Network

Leasing Corporation Ltd. The intent is to provide private sector finance/lease options to farmers to purchase Sweetwater technology.

Most recently, Sweetwater International signed an agreement with the Overseas Private Investment Corporation (OPIC). The agreement will provide \$1.1 million in insurance for the manufacture, sale and leasing of Sulfurous Acid Generator (SAG) machines throughout Pakistan.

Sweetwater International, Inc. currently has operations in 14 western states and 11 countries worldwide with many collaborative efforts

with governments and universities working together to solve soil and water problems. With manufacturing facilities already operational in Lahore, Sweetwater International, Inc. believes that Pakistan offers a base for the Middle East and Asian Region that no other country provides. Sweetwater International, Inc. is committed for the long term to the country of Pakistan. ■



Finance Minister Shaukat Aziz witnesses signing ceremony of Sweetwater International with Life Technologies and Network Leasing Corporation in Islamabad



Chief Executive of Life Technologies Mushtaq Ahmad (left) and Sweetwater International President and CEO Edward Jackson (right) conclude distributor agreement in Islamabad on March 16. Finance Minister Shaukat Aziz observed the signing



Managing Director for Network Leasing Corporation Asif Siddiqi and Sweetwater International President and CEO Edward Jackson conclude signing of Memorandum of Understanding (MOU) in Islamabad on March 16. Finance Minister Shaukat Aziz was present at the signing

Minister of Information Technology Awais Ahmad Khan Leghari Invites Delegates to Invest in Pakistan's IT and Telecom Sectors

Delegates of the U.S.-Pakistan Business Council (USPBC) executive mission to Pakistan visited the Ministry of Information Technology and Telecom in Islamabad on March 17, 2004. The business representatives called on Minister Awais Ahmad Khan Leghari to discuss opportunities for investment in the IT and telecom sectors. The delegation leader was Dr. Herbert J. Davis, Vice President for South Asia, Middle East and Africa Affairs at the U.S. Chamber of Commerce. Ms. Esperanza Gomez, Executive Director of the USPBC also participated in the meeting.

Minister Leghari provided a brief summary of Pakistan's efforts to attract foreign direct investment in the information technology and telecom sectors. He noted that the restructuring of the state-owned Pakistan Telecommunications Limited (PTCL) was underway to prepare the company for competition. He said that the government's decision to deregulate fixed-line telecommunication and the decision to award two more licenses in the mobile cellular sector provide U.S. companies tremendous investment opportunities.

Dr. Davis noted that the USPBC and the U.S. Chamber of Commerce are encouraged by the efforts of the Government of Pakistan to offer all possible facilities to companies interested in investing in Pakistan's IT and telecommunications sector.

The business representatives had the opportunity to discuss specific concerns with Minister Leghari.



Minister Leghari welcomes Dr. Herbert J. Davis at the Ministry of Information and Technology headquarters in Islamabad

The following delegates attended the session: Farukh Aslam, Vice President, Touchstone Communications, Inc.; Sal Aziz, President and CEO, Delta Matrix, Inc.; Richard Brecher, Director, Global Business Relations, Motorola; Najeeb Ghauri, Chairman, NetSol Technologies, Inc.; Zoff Khan, Director, Business Development, Middle East, Africa and Pakistan, Motorola; Asheesh Khaneja, Executive Director, Business and Strategy Development, Asia Pacific, Oracle Corporation – Singapore; Pervaiz Lodhie, President and CEO, Ledtronics, Inc.; Kursat Ozkan, Corporate Regional Executive, General

Electric; Adeel Shah, Chairman and CEO, Telnia Corporation; Thomas R. Slone, Chairman and CEO, Touchstone Communications, Inc.; and Abubaker Vakil, Board Member, Lights of America, Inc. ■

Ex-Im Bank Announces Financing Opportunities for U.S. Exports to Pakistan's Public Sector

The Export-Import Bank of the United States has upgraded Pakistan's rating and will offer expanded financing opportunities for U.S. exports to Pakistan's public sector. The announcement was made by U.S. Secretary of State Colin Powell during a news conference following his meetings with Pakistan's Foreign Minister Kasuri in Islamabad on March 18, 2004.

According to a press release issued by the Ex-Im Bank, financing will be available to support Pakistan's purchases of U.S. equipment and services in cases where repayment of the financing is assured by the sovereign guarantee of the Government of Pakistan. This action marks the reopening of Ex-Im Bank's normal operations with Pakistan.

"Upgrade of Pakistan's rating highlights once again the exceptional developments in the economic front as well as expectations for an even brighter future," U.S.-Pakistan Business Council Chairman Ahmet Bozer said.

Ex-Im Bank has processed a limited number of transactions for Pakistan, including a long-term loan guarantee supporting the export of three Boeing 777-200 ER (extended range) commercial jet aircraft to Pakistan International Airlines (PIA), which were delivered in early 2004. Ex-Im Bank has also agreed in principle to provide financing support for PIA's purchase of five additional aircraft from Boeing, including; two Boeing (2)777-200 LR (long range) and three Boeing (3)777-300 ER (extended range) commercial jet aircraft.

Ex-Im Bank is the official export credit agency of the United States. It helps thousands of companies finance the sale of U.S. exports by providing loan guarantees, export credit insurance and direct loans. To learn more about Ex-Im Bank products and services visit <http://www.exim.gov>. For information regarding the Ex-Im Bank's financing opportunities for Pakistan, please contact Robert Bosco at 202-565-3716. ■

Meeting with the Lahore Chamber of Commerce and Industry

On March 18, 2004, members of the U.S.-Pakistan Business Council delegation met with members of the Lahore Chamber of Commerce and Industry to discuss opportunities for investment

in Pakistan. Delegates had a chance to have sector-specific one-on-one meetings with Pakistani business representatives to identify long-term mutual business interests. ■



Delegates of the U.S.-Pakistan Business Council Executive Mission and members of the Lahore Chamber of Commerce and Industry

Lunch in Honor of the Delegation Hosted by Lt. Gen. (Ret.) Khalid Maqbool, Governor of Punjab

Lt. Gen. Khalid Maqbool hosted a lunch in honor of the delegates of the U.S.-Pakistan Business Council Executive Mission on March 18, 2004. The delegates had the opportunity to inter-

act with business representatives from the Lahore Chamber of Commerce and the Federation of Pakistan Chambers of Commerce and Industry. ■



(L to R) Richard Brecher, Motorola, Inc.; Najeeb Ghauri, Netsol Technologies; Herbert Davis, U.S. Chamber of Commerce; Esperanza Gomez, U.S.-Pakistan Business Council; Lt. Gen. Khalid Maqbool, Governor of Punjab; Pervaiz Lodhie, Ledtronics, Inc.; Asheesh Khaneja, Oracle Corporation; Furqan H. Siddiqi, Synergics Energy Development; and Zoff Khan, Motorola, Inc



Members of the Lahore Chamber of Commerce and the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) welcome delegates of the U.S.-Pakistan Business Council Executive Mission in Lahore

Article

U.S.-Pakistan Business Council Delegates Meet with Members of the American Business Council of Pakistan (AmCham)

On March 19, 2004, delegates of the U.S.-Pakistan Business Council mission met with members of the American Business Council (ABC) in Karachi. The meeting was chaired by ABC's President, Mr. Anjum Fasih, Managing Director, Bristol-Myers Squibb Pakistan (Pvt.) Ltd.

The delegates had a productive discussion with ABC members regarding issues of interest to U.S. companies in Pakistan such as: implementation of intellectual property rights laws, promotion of a better image of Pakistan abroad, U.S. visa policy and the U.S. travel advisory. They also shared thoughts about areas of possible collaboration between the U.S.-Pakistan Business Council and the American Business Council of Pakistan. ■



ABC President Anjum Fasih greets Dr. Herbert J. Davis



(L to R) seated: Pervaiz Lodhie, Ledtronics, Inc.; Esperanza Gomez, U.S.-Pakistan Business Council; Najeeb Ghauri, Netsol Technologies; Anjum Fasih, Bristol Myers Squibb, Pakistan (Pvt.) Ltd.; Dr. Herbert J. Davis, U.S. Chamber of Commerce; Furqan H. Siddiqi, Synergics Energy Development; Mohammad Tahir Iqbal, Merck Sharp & Dohme of Pakistan Ltd.; and Kamran Nishat, Muller & Phipps Pakistan (Pvt.) Ltd

(L to R) standing: Kashif Siddiqi, Oracle Corporation; S. Rafat Ali Hashmi, American Business Council; Richard Brecher, Motorola, Inc.; Humayun Bashir, IBM; Ismail H. Ahmed, Johnson & Johnson Pakistan (Pvt.) Ltd.; S. Umer Ali Shah, ACE Insurance Limited; Nadeem Karamat, American Express Bank Ltd.; Veqar ul Islam, NCR Corporation; Arshad Rahim Khan, Wyeth Pakistan Ltd.; and Ashraf Jafri, Unisys Pakistan (Pvt.) Ltd

U.S.-Pakistan Business Council Welcomes New Members

Corporate Members

**Lights of America, Inc.
Motorola, Inc.**

Associate Corporate Members

**Delta Matrix, Inc.
Ledtronics, Inc.**

Subscribe to our mailing lists or to update your contact information, please email Ms. Esperanza Gomez at: uspsc@uschamber.com

Once we have received your request to be included in our mailing list you will receive important information and invitations to our events.

Credits

Editor: Esperanza Gomez

Desktop Publishing
and Art Direction: Luiz R. M. de Oliveira

Sources:

Export-Import Bank:

<http://www.exim.gov/>

Overseas Private Investment Corporation:

<http://www.opic.gov/>

Website: www.uspakistan.org