

U.S.-PAKISTAN BUSINESS COUNCIL Newsletter



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United States Chamber of Commerce

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Cover Story

U.S. Chamber of Commerce and U.S.-Pakistan Business Council Host President Musharraf in New York September 20, 2004

On September 20, 2004, the U.S. Chamber of Commerce, in cooperation with the U.S.-Pakistan Business Council (USPBC), hosted a dinner in honor of His Excellency Pervez Musharraf, President of the Islamic Republic of Pakistan, in New York City. The USPBC successfully brought together representatives of leading American companies to meet with President Musharraf at the St. Regis Hotel in New York. The dinner followed a private reception at which President Musharraf met with the corporate sponsors of the event.

Mr. John W. Bachmann, Chairman of the Board of Directors of the U.S. Chamber of Commerce, delivered the opening remarks. After emphasizing the importance of a strong economic and political relationship between Pakistan and the United States, Mr. Bachmann went on to note that U.S. companies are greatly encouraged by the economic reforms that President Musharraf and his team have implemented. In that regard, Mr. Bachmann stated, "Your government has privatized and deregulated industries, reduced trade barriers, renovated the financial sector, improved the tax system, provided incentives for private investment, built up currency reserves where there were none, and reduced an enormous budget deficit."

However, Bachmann emphasized, "Pakistan must continue to deregulate and privatize its economy, enhance security, and take steps to protect intellectual property rights." In that sense, he noted, "We look forward to the National Assembly's approval of the Pakistan Intellectual Property Rights Organization

(PIPPO) and the day when the U.S. Chamber can join with that organization in fighting intellectual property theft." He stated that "at the end of the day, capital is invested where it is welcome, where it feels safe, and where it has a reasonable chance to grow."



His Excellency Pervez Musharraf, President of the Islamic Republic of Pakistan addresses dinner guests at St. Regis Hotel in New York

Following Mr. Bachmann's remarks, President Musharraf highlighted Pakistan's economic achievements in the last few years, including its rapid growth rate, spiraling foreign exchange reserves, liquidity in banks, and rise in foreign direct investment. He also noted the Government of Pakistan's efforts to increase revenue collection as well as the reduction in debt service liability and reduction in fiscal deficit. However, President Musharraf stressed the need for continuity in his policies in order to build on the economic progress the country has already made.

In his address, the President noted his government's efforts are directed toward attracting foreign direct investment into the country to stem poverty and provide employment to the people of Pakistan. He pointed out that his government's policies have stabilized Pakistan's economy and the country now offers an ideal investment climate for foreign investors. He urged American investors to view Pakistan as a profitable investment destination. President Musharraf indicated that Pakistan offers investment opportunities in sectors such as: energy, oil and gas, mining in coal and gems, information technology, telecom and engineering.

Following President Musharraf's keynote address, Dr. Herbert J. Davis, Vice President for South Asia, Middle East and Africa Affairs at the U.S. Chamber of Commerce,

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concluded the program with final remarks referencing that, “The U.S. Chamber of Commerce – behind the strength of more than 3 million member companies and through the U.S.-Pakistan Business Council – remains firmly committed to improving U.S. foreign direct investment in Pakistan.” ■



Mr. John W. Bachmann, Chairman, Board of Directors, U.S. Chamber of Commerce welcomes dinner guests at the St. Regis Hotel in New York



Chairman Bachmann and President Pervez Musharraf



Esperanza Gomez, Executive Director, U.S.-Pakistan Business Council greets His Excellency Pervez Musharraf



Ahmet Bozer, Chairman, U.S.-Pakistan Business Council and President Musharraf

Commerce Minister Khan meets with Ambassador Zoellick at USTR

On September 28, 2004, the Minister of Commerce of the Islamic Republic of Pakistan, the Honorable Humayun Akhtar Khan, met with U.S. Trade Representative Robert B. Zoellick. Ambassador Zoellick and Commerce Minister Khan announced at the conclusion of their meeting that both countries will begin negotiations on a bilateral investment treaty (BIT). At the press conference, Ambassador Zoellick stated, “A BIT based on the high standards contained in our model text can play an important role in strengthening Pakistan’s economy, so as to create new opportunities for exporters and investors in both economies and assist in meeting the economic conditions to counter terrorism.”

Their session followed the first meeting of the Joint Council of the Trade and Investment Framework Agreement (TIFA), which was led by Deputy U.S. Trade Representative Josette Shiner. The Joint Council was established under the TIFA signed between the United States and Pakistan on June 25, 2003. The Joint Council works toward a permanent dialogue between the two countries on a wide range of trade and investment issues.

The United States and Pakistan will continue negotiations on the BIT under the TIFA in London in early February 2005. ■

Council Hosts Pakistan's Commerce Minister His Excellency Humayun Akhtar Khan

On September 27, the U.S.-Pakistan Business Council (USPBC) welcomed Commerce Minister Humayun Akhtar Khan to Washington, DC, during his official visit to the United States for talks with the Office of the U.S. Trade Representative on bilateral trade and investment relations issues. Minister Khan addressed USPBC members, U.S. Government officials and representatives from leading U.S. corporations at the U.S. Chamber of Commerce. Lt. General (Ret.) Daniel W. Christman, Senior Vice President, International Division, U.S. Chamber of Commerce, welcomed Minister Khan to the U.S. Chamber's headquarters. Ambassador Ashley Wills, Assistant U.S. Trade Representative also participated in the meeting.

Ms. Esperanza Gomez, Executive Director, U.S.-Pakistan Business Council, provided the opening remarks. After highlighting that the U.S.-Pakistan Business Council is very supportive of the Trade and Investment Framework Agreement (TIFA) process, she noted that Pakistan's recent economic reform program has provided a solid foundation for continuous economic and political improvement.

Mr. Muhammad Jehangir Bashir, Secretary, Board of Investment, and a member of the delegation accompanying Minister Khan, provided a

presentation on the investment climate in Pakistan. He provided a brief overview of the investment environment and highlighted opportunities available to foreign investors in Pakistan. He noted that key priority sectors for investment in Pakistan include: oil and gas, power, information technology and telecom, agriculture, and mining.



The Honorable Humayun Akhtar Khan, Minister of Commerce of The Islamic Republic of Pakistan, addresses luncheon guests at the U.S. Chamber of Commerce in Washington, D.C.

In his keynote address, Minister Khan noted the success of the Government of Pakistan's economic reform program. He highlighted its record figures of 6.4 percent GDP growth rate and \$12 billion dollar national reserves. He acknowledged that although Pakistan has had to deal with a problem of perception, the reality on the ground is much better. Minister Khan indicated that Pakistan offers lucrative investment and trade opportunities and urged U.S. investors to take advantage of the country's favorable environment. He also emphasized Pakistan's commitment to strengthening Intellectual Property Rights (IPR) protections through the creation of the Pakistan Intellectual Property Rights Organization (PIPRO).

Other members of the delegation present at the meeting included: Mr. Makhdoom Ali Khan, Attorney General; Mr. Tasneem Noorani, Commerce Secretary; Mr. Mohammad Sadiq, Charge d'Affairs, Embassy of Pakistan; and Mr. Ashraf Hayat, Minister (Trade), Embassy of Pakistan. ■

USPBC Welcomes New Pakistan Ambassador to the United States, His Excellency Jehangir Karamat

The U.S.-Pakistan Business Council extends a warm welcome to the new Pakistan Ambassador to the United States Jehangir Karamat. Mr. Karamat assumed his current post as Pakistan's Ambassador-designate to the United States in November, 2004, following the departure of Ambassador Ashraf Jehangir Qazi. Ambassador Karamat presented his credentials to President Bush on December 9, 2004.

Ambassador Jehangir Karamat retired as Chairman Joint Chiefs of Staff and Chief of Army Staff in October 1998. He has been a Visiting Fellow at the Center for International Security and Cooperation (CISAC) at Stanford University and the Brookings Institute in Washington, DC. In addition, he was a member of the United Nations' study on Afghanistan and Chairman of the Board of Governors of the Islamabad Policy Research Institute. Ambassador Karamat is a graduate

of the National Defense College, the Command and Staff College, and the U.S. Army Command and General Staff College in Fort Leavenworth, Kansas.

At a meeting with Lt. Gen. Dan Christman, Senior Vice President of the International Division of the U.S. Chamber of Commerce, on December 17, 2004, Ambassador Karamat expressed his strong interest in expanding ties with the U.S.-Pakistan Business Council and the American business community at large. Also present at the meeting were: Mr. Ashraf Hayat, Minister (Trade), Embassy of Pakistan; Dr. Herbert J. Davis, Vice President, South Asia, Middle East and Africa Affairs at the U.S. Chamber of Commerce; and Ms. Esperanza Gomez, Executive Director of the U.S.-Pakistan Business Council. The USPBC congratulates Ambassador Karamat as he takes up this important position. ■

Membership Information

Does your company have a stake in the Pakistani market?

Do you want your Pakistan-related issues to be heard?

JOIN THE U.S.-PAKISTAN BUSINESS COUNCIL NOW!

Member benefits:

- A strong voice advocating for your business
- A presence in Washington, DC focused on U.S.-Pakistan relations
- Forums with senior Pakistani government and business officials
- Annual high-level business-to-business dialogue with Pakistani counterparts
- Participate in Executive Missions to Pakistan

Membership information is available at:

http://www.uspakistan.org/Membership_Information.html

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Fax: (202) 463-3114

E-mail: uspsc@uschamber.com

U.S.-Pakistan Business Council
Welcomes New Members

Corporate Members

Hometex Corporation

Raytheon International, Inc.

Associate Corporate Members

DCD Capital, LLC

WorldBridge Connect, Inc.

Upcoming Events in Pakistan

February 2-5, 2005

Expo Pakistan 2005

Opportunities Unlimited

Location: Karachi, Pakistan

Information regarding the event is available at:

<http://www.expopakistan.com/>

Email: info@expopakistan.com

Export Promotion Bureau, Government of Pakistan

Finance & Trade Center, Shahrah-e-Faisal, Karachi-75200.

UAN: 111-444-111 PABX: (92-21) 9206487-90

Fax: (92-21) 9202713

Website: www.epb.gov.pk E-mail: epb@epb.gov.pk

March 26-28, 2005

International Trade and

Industry Fair (ITIF Asia) 2005

Location: Karachi Expo Centre

Information regarding the event is available at

<http://www.itifasia.com>

E-mail: info@itifasia.com

ITIF Asia Secretariat, Ecommerce Gateway Pte. Ltd.

18 C.P. Berar Housing Society, Karachi, Pakistan

Tel: (92-21) 453-6321, 111-222-444

Fax: (92-21) 453-6330

April 13-16, 2005

Textile IGATEX Pakistan 2005

April 25-28, 2005

Garment IGATEX Pakistan 2005

Location: Karachi Expo Centre

Information regarding the events is available at:

<http://www.igatexpakistan.com>

E-mail: info@pegasusconsultancy.com

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