

Foreign Agricultural Investment Country Profile

Pakistan



| | |
|-------------------|---|
| REGION | South Asia |
| INCOME GROUP | Lower middle income |
| POPULATION | 184 million |
| TOTAL AREA | 796 095 km ² |
| CAPITAL | Islamabad |
| LARGEST CITY | Karachi |
| GNI PER CAPITA | US\$1 000 |
| OFFICIAL LANGUAGE | English, Urdu |
| MAJOR EXPORTS | textiles, rice, leather goods, sports goods, |
| MAJOR IMPORTS | petroleum, petroleum products, machinery, plastics, transportation equipment, edible oils, paper and paperboard, iron and steel, tea. |



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Acronyms

| | |
|-------|--|
| BIT | bilateral investment treaties |
| BOI | Board of Investment |
| CAF | Corporate Agriculture Farming |
| CRO | Company Registration Offices |
| DTT | double taxation treaties |
| ECO | Economic Cooperation Organization |
| EDB | Engineering Development Board |
| EPZ | Export Processing Zones |
| EPZA | Export Processing Zone Authority |
| FBR | Federal Board of Revenue |
| FDI | Foreign Direct Investment |
| FED | Federal Excise Duties |
| GDP | gross domestic product |
| GIEWS | Global Information and Early Warning System |
| GNI | gross national income |
| HDI | Human Development Index |
| hg | hectogram |
| IBIS | Indus Basin Irrigation System |
| ICSID | International Center for Settlement of Investment Disputes |
| IFAD | International Fund for Agricultural Development |
| KPK | province of Khyber Pakhtunkhwa |
| LPG | liquefied petroleum gas |
| MATA | Major Agricultural Thrust Areas |
| MIGA | Multilateral Investment Guarantee Agency |
| MINFA | Ministry of Food and Agriculture |
| MW | megawatt |
| NMTPF | National Medium-Term Priority Framework |
| NTN | National Tax Number |
| PARC | Pakistan Agricultural Research Council |

| | |
|----------|--|
| PEPA | Environmental Protection Act |
| PFL | Pakistan Pure Food Laws |
| POL | Petroleum, Oil and Lubricants |
| PR | Pakistan Railways |
| Rs | Pakistani rupee, monetary unit |
| SAARC | South Asian Association for Regional Cooperation |
| SECP | Securities and Exchange Commission of Pakistan |
| SED | Special Excise Duties |
| SEZ | Special Economic Zones |
| SIZ | Special Investment Zones |
| SPA | Strategic Priority Areas |
| STN | Sales Tax Number |
| UNCITRAL | United Nations Commission on International Trade Law |
| UNCTAD | United Nations Conference on Trade and Development |
| UNDP | United Nations Development Programme |
| USAID | United States Agency for International Development |
| WIPO | World Intellectual Property Organization |
| WTO | World Trade Organization |

1 General Information

1.1 Foreign Direct Investment (FDI) in Pakistan

During the 1990s, Foreign Direct Investment (FDI) inflow in Pakistan peaked at US\$789 million in 1994 following foreign exchange guarantees and import liberalizations. Subsequently, inflows dropped in response to decreased investment in the power sector, the East Asian financial crisis, sanctions resulting from nuclear bomb tests in 1998, foreign-exchange crisis, and a military coup in 1999 that led to an even lower level of FDI in 2000. From 2004, the annual rate began increasing vastly following Pakistan's increased privatizations, reaching US\$5 438 million in 2008. In the wake of the global financial crisis, inflows fell to US\$2 387 million in 2009.

FDI inflows and stock annual data (Total US\$ millions)

| | Year | | | | | | | | | |
|--------------------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|
| | 1990 | 1994 | 1997 | 1999 | 2000 | 2005 | 2006 | 2007 | 2008 | 2009 |
| FDI inflows | 278 | 789 | 711 | 532 | 309 | 2 201 | 4 273 | 5 590 | 5 438 | 2 387 |
| FDI stock | 1 892 | 3 860 | 9 210 | 7 186 | 6 919 | 10 209 | 13 682 | 25 621 | 16 473 | 17 789 |

Source: UNCTAD stat

The United States, United Kingdom, and United Arab Emirates are the three principle sources of FDI into Pakistan.¹ The Pakistan Board of Investment (BOI) compiles sectoral distribution data. For 2009–2010, the BOI displays that the oil and gas sector attracted US\$740.6 million, telecommunications US\$291 million, financial business US\$163 million, transport US\$132 million, trade US\$117 million, chemicals US\$112.1 million, construction US\$101.6 million, and textiles US\$27.8 million while other sectors added an additional US\$586.3 million.² FDI fell 15 percent in the first six months of 2010–2011 as a result of political instability and the devastating floods that hit Pakistan in July–August of 2010.

Pakistan's investment framework has been increasingly adapted and liberalized to meet investor needs. The Government has made concrete efforts to promote a more effective enabling framework while offering tax and other incentives. Liberalization, deregulation, privatization and facilitation are the leading cornerstones of the current investment policy. Most economic sectors now allow 100 percent foreign ownership, and foreign companies may invest in all key sectors of the economy, namely agriculture, industry and services. Pakistan's Investment Act of 1976 also provides equal treatment and opportunities for both domestic and foreign investors. Furthermore, the creation of

¹ India Pakistan Trade Unit, Investing in Pakistan: http://www.iptu.co.uk/content/pakistan_investment.asp#about

² Pakistan Board of Investment (BOI), Pakistan Economy, Foreign Investment Data: <http://investinpakistan.pk/foreign-invest.htm>

Pakistan's BOI in 1992 aimed at further promoting and facilitating investment in all sectors of the economy, thus helping to streamline investment procedures.³

The sectors currently attracting most FDI are not labour-intensive and thus do not contribute significantly to job creation efforts of the Pakistani government. Furthermore, the 2010 floods disaster caused nearly US\$5 billion in damages, while Pakistan's recurring internal political turmoil continues to weigh on efforts to attract foreign investment. In the World Bank's Doing Business 2011 summary data for Pakistan, the overall Ease of Doing Business status ranks the country 83rd out of 183 economies. The table below lists the rankings by each topic and the following displays the enterprise surveys results for perceived constraints to firm investment in Pakistan.

Doing business (DB) rankings by topics

| Topic rankings | DB 2010 rank | DB 2011 rank | Change in rank |
|-----------------------------------|--------------|--------------|----------------|
| Starting a business | 69 | 85 | ↓-16 |
| Dealing with construction permits | 102 | 98 | ↑4 |
| Registering property | 118 | 126 | ↓-8 |
| Getting credit | 61 | 65 | ↓-4 |
| Protecting investors | 27 | 28 | ↓-1 |
| Paying taxes | 139 | 145 | ↓-6 |
| Trading across borders | 78 | 81 | ↓-3 |
| Enforcing contracts | 156 | 155 | ↑1 |
| Closing a business | 56 | 67 | ↓-11 |

Source: World Bank, Doing Business: <http://www.doingbusiness.org/data/exploreeconomies/pakistan>

Top 10 business environment constraints for firms

| Business environment constraints | Percentage of firms |
|----------------------------------|---------------------|
| Electricity | 66.69 |
| Corruption | 11.65 |
| Crime, theft and disorder | 5.52 |
| Access to finance | 3.93 |
| Tax rates | 3.70 |
| Access to land | 3.57 |
| Political instability | 1.19 |
| Customs and trade regulations | 0.94 |
| Inadequately educated workforce | 0.71 |
| Tax administration | 0.70 |

Source: Enterprise Surveys: <http://www.enterprisesurveys.org/ExploreEconomies/?economyid=147&year=2007>

³ Board of Investment: <http://investinpakistan.pk/intro.htm>

1.2 Agriculture Sector and FDI

The agriculture sector – consisting of crops, livestock, fishing and forestry – plays a major role in Pakistan's economy. It contributes over 21 percent of the gross domestic product (GDP), employs around 45 percent of the labour force, and provides 12.9 percent of the country's export earnings.⁴ Approximately 63 percent of the population resides in rural areas⁵ and is directly or indirectly linked to agriculture for their livelihood, and much of Pakistan's industry (textiles, sugar, etc.) is linked to agriculture through production chains. Thus, agricultural productivity is a key factor in the government's economic development and poverty alleviation objectives.

Despite steady economic growth over the past decade, food insecurity remains a major issue, and poverty is widespread and particularly predominant in rural parts of Pakistan. Recent increases in food prices and natural disasters have also resulted in 35 million Pakistanis suffering from food insecurity and one-third of the population living on less than US\$2 per day.⁶

According to IFAD, more than 4 million family farms have an average plot of less than 5 ha, and 25 percent of all farms consist of less than 1 ha. Landless farmers either lease or sharecrop land.⁷ Water resources are scarce and it is difficult to provide remote rural communities with reliable water supplies. As such, lack of access to resources, markets and services has contributed to chronic poverty in these areas.⁸

The incidence of poverty also varies from one province to the next because of differing productive capacities based on physical and climatic features. Pakistan is divided into four provinces (Balochistan, Khyber Pakhtunkhwa [KPK], Punjab and Sindh) and two tribal areas each providing distinctly different productive opportunities. The landscape is highly diverse: it varies from the Himalayan and Hindu Kush mountains and intermountain valleys to the west and north (where communities are small, scattered and isolated); the flat, irrigated, fertile plains in the eastern provinces of Sindh and Punjab; the dry western plateaus of Balochistan; and the sandy desert in eastern Sindh and Punjab provinces.⁹

Of Pakistan's total land area of 770 880 sq. km, about 35 percent is agricultural land, of which approximately 90 percent is located in the Indus River Valley of Punjab and Sindh provinces, where most of the population lives. The remaining 65 percent of Pakistan's total area consists of desert, mountains, forest (2.5 percent located in KPK and the northern areas), and urban areas. This includes rangeland where most of Pakistan's livestock population of around 110 million cattle, buffalo, sheep, goats, camels and other animals are located. The livestock and dairy sector accounts for 53 percent of agriculture, 11 percent of GDP and affects the lives of more than 30 million people in rural areas as production is dominated by small producers (only about 2 percent of total output goes to commercial processors).¹⁰

⁴ FAO, Country Brief Pakistan: <http://www.fao.org/countries/55528/en/pak/>

⁵ World Bank: <http://data.worldbank.org/country/pakistan>

⁶ FAO, Country Brief Pakistan: <http://www.fao.org/countries/55528/en/pak/>

⁷ IFAD, Rural Poverty Portal – Pakistan: <http://www.ruralpovertyportal.org/web/guest/country/home/tags/pakistan>

⁸ USAID, Land Tenure and Property Rights Portal, Country Profile Pakistan: <http://usaidlandtenure.net/usaidltpproducts/country-profiles/pakistan-1>

⁹ USAID, Land Tenure and Property Rights Portal, Country Profile Pakistan: <http://usaidlandtenure.net/usaidltpproducts/country-profiles/pakistan-1>

¹⁰ USAID, Land Tenure and Property Rights Portal, Country Profile Pakistan: <http://usaidlandtenure.net/usaidltpproducts/country-profiles/pakistan-1>

About 20.9 million ha of land is cultivated and approximately 80 percent – corresponding to 26 percent of the total area – of this is under irrigation. Pakistan's irrigation system is one of the largest in the world and irrigated land produces 90 percent of total farm output.¹¹

The densely populated Indus Basin Irrigation System (IBIS) is the breadbasket of Pakistan and produces the commodities that drive industry (cotton, wheat, rice, sugar cane, etc.). Farmers cultivating rainfed land (barani) depend on smaller irrigation systems to support crop and livestock production.

Agriculture value added in 2009 was US\$33 110 million, an increase from the 2006 value of US\$24.372 million. The average growth rate for 2006–2009 was 3.8 percent.

The value of agricultural exports in 2008 was US\$2 628 million, thus increasing from the US\$1 698 million value of 2005. The average growth rate of exports from 2005 to 2008 was 16 percent. The main agricultural exports in terms of value are milled rice, hydrogenated oil, refined sugar, broken sugar and cotton lint.

The value of agricultural imports in 2008 was US\$5 280 million, an increase from the 2005 value of US\$2 894 million. The average growth rate of imports from 2005 to 2008 was 18.7 percent. The main agricultural imports in terms of value are palm oil, cotton lint, wheat, rapeseed and tea.

Pakistan's agricultural policy is aimed at maintaining a growth rate higher than its population growth. The Ministry of Food and Agriculture (MINFA) is currently running the National Medium-Term Priority Framework (NMTPF).¹² As a strategic planning and programming tool, the main purpose of the NMTPF is to facilitate foreign technical assistance resource mobilization in agriculture based on Strategic Priority Areas (SPAs) determined through technical assistance from eight Major Agricultural Thrust Areas (MATAs): crops and horticulture, livestock and fisheries, forestry, water, food security, agribusiness, trade and emergencies, and disaster management. Concurrently, Pakistan's Vision 2030 was drafted to guide efforts towards increased economic growth and decreased poverty.¹³

The Pakistani Government has also introduced a Corporate Agriculture Farming (CAF) strategy with objectives to achieve efficiency of production and increased incomes/revenues by bringing together agricultural production, processing and marketing activities under the management of one corporate entity, and to improve agricultural productivity and profitability through the use of the latest production technology and adequate expertise, particularly for exports.¹⁴

Lastly, the government has also introduced an Investment Promotion Strategy for 2010–2015 that aims to maintain a high annual level of inflow by offering fresh incentives to investors and providing financial security to both foreign and local investors without requiring any prior approval from the government. Agriculture, manufacturing, textiles, dairy, oil and gas, infrastructure, construction, automotive, cement and IT sectors are the primary target sectors.¹⁵

¹¹ FAO, Gender and Land Rights Database, Country Profile Pakistan: <http://www.fao.org/gender/landrights/report/>

¹² FAO, NMTPF: <ftp://ftp.fao.org/TC/TCA/NMTPF/Country%20NMTPF/Pakistan/Status/NMTPF.pdf>

¹³ Planning Commission, Vision 2030: <http://www.planningcommission.gov.pk/vision2030/Pak21stcentury/Chapter%20Wise/05-Preface.pdf>

¹⁴ BOI, Corporate Agriculture Farming (CAF): <http://investinpakistan.pk/pdf/Sectoral%20Policies/CAF%20-%20Policy%20Package.pdf>

¹⁵ Govt. of Pakistan, Press Information Department, Press Release No. 202 (May 18, 2010): <http://www.pid.gov.pk/press18-05-2010.htm>

Infrastructure

Electricity: Pakistan has an electricity capacity of 19 754 MW (2009). The existing power deficit is a major challenge for industrial and commercial activities. To meet current and future energy demands, the government is working on a number of power generation projects that are expected to contribute an additional power supply of 9 817 MW by 2012.

Roads: Pakistan has a total road network of 259 197 km, of which about half are paved. Ninety percent of Pakistan's freight and passenger traffic travel by road. Pakistan intends to double its current road density of 0.31-km/sq. km to 0.64-km/sq. km gradually over the next 10 years.

Sea: Pakistan's present ports, Karachi Port, Port Qasim and Gwadar Port, are easily accessible and have all port facilities for handling international cargo. Tankers up to 12 metres draft and other vessels between 10.5 to 11.5 metres can be berthed at other berths. Port Bin Qasim can berth ships with drafts between 11 to 11.5 metres. Additional facilities in the form of shipyard, dry-docking repairs and others are extensively available. In order to encourage private sector investment in shipping, 48 ship owning licences have been issued to parties interested in owning and operating shipping companies under Pakistani flag.

Railway: The railway network consists of 8 163 km of tracks and 781 stations. Pakistan Railways (PRs) has shown improvement with a positive growth trend for seven consecutive years (2000–2007) that can be attributed to the wide range of improvements made by the PRs through completion of a number of development projects and better policies aimed at modernization of PRs.

Air transport: There are 53 airports in Pakistan. The largest airport in Pakistan is the Jinnah International Airport, Karachi, that can handle 30 aircrafts at a time and has 16 passenger gates. It handles 6 million passengers annually and has a capacity of handling 12 million passengers annually. In addition, the international airports at Lahore, Islamabad, Peshawar and Quetta are also major Pakistani airports catering to a majority of the local and international travellers.

For more information on infrastructure development, consult the Ministry of Finance website:

<http://ipdf.gov.pk/home/>

For additional information on FDI in general and in Pakistan's agriculture sector:

UNCTAD Stat

<http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx>

UNCTAD World Investment Report 2010

<http://www.unctad.org/wir>

UNCTAD Country Factsheet

http://www.unctad.org/sections/dite_dir/docs/wir10_fs_pk_en.pdf

Pakistan Board of Investment (BOI) & FDI Statistics

<http://investinpakistan.pk/>; <http://investinpakistan.pk/foreign-invest.htm>

Pakistan Ministry of Food and Agriculture (MINFA) Publications

<http://www.minfa.gov.pk/publications.aspx>

Pakistan Agricultural Research Council (PARC) Data Centre

<http://www.parc.gov.pk/Stats/DataFrameset.htm>

World Bank Private Sector at a Glance

http://devdata.worldbank.org/PSD/pak_psd.pdf

World Bank Investing Across Borders

<http://iab.worldbank.org/Data/Explore%20Economies/Pakistan>

World Bank Business Environment Snapshot

<http://rru.worldbank.org/BESnapshots/Pakistan/default.aspx>

Enterprise Surveys Snapshot Report (2007)

<http://www.enterprisesurveys.org/ExploreEconomies/?economyid=147&year=2007>

2 Information on specific areas

2.1 Legal and regulatory framework¹⁶

The primary laws underlying Pakistan's investment framework are the Foreign Private Investment (Promotion & Protection) Act of 1976 and the Protection of Economic Reforms Act of 1992.

2.1.1 Major laws and regulations affecting foreign investment

Foreign Private Investment (Promotion & Protection) Act, 1976

<http://investinpakistan.pk/invest-acts.htm#1970>

Pakistan's Investment Act provides for the promotion and protection of foreign private investment in the country without differentiation between a foreign and a local investor. While nearly all economic sectors are open for investment, no approval of any kind is required for undertaking industrial projects. Under this law, Pakistan allows 100 percent ownership of equity to foreign investors and remittance of profits, dividends, royalty and technical fee while offering tax/tariff incentives packages.

Protection of Economic Reforms Act, 1992

<http://investinpakistan.pk/invest-acts.htm#1970>

The Protection of Economic Reforms Act was enacted to provide legal protection to economic reforms relating to privatization, deregulation and other fiscal incentives, and allows foreign exchange transfers without restrictions. The law also clearly states that no industrial or commercial enterprise or equity investment in a company or financial institution may be compulsorily acquired or taken over by the government.

Other relevant laws

Companies Ordinance, 1984

http://www.secp.gov.pk/corporatelaws/pdf/Comp_Ord1984.pdf

Companies (Amendment) Ordinance, 2002

http://www.secp.gov.pk/corporatelaws/pdf/Draft_Comp_Amend_Ord2002.pdf

The legal framework for the establishment and regulation of companies in Pakistan is provided in the Companies Ordinance of 1984 (with some modifications in the 2002 amendment). Under its provisions, a company may be formed by providing Memorandum and Articles of Association and complying with other requirements for company registration.

Securities and Exchange Commission of Pakistan (SECP) Act, 1997

http://www.secp.gov.pk/secp_act_97.asp

¹⁶ This section provides information on laws and regulations recognized during the preparation of this paper and does not provide a comprehensive list of laws and regulations related to agricultural investment in Pakistan.

This 1997 Act established the Securities and Exchange Commission of Pakistan (SECP), institutionalizing its constitution, structure, powers and functions. The SECP became operational in January 1999 and since then has expanded its mandate. One of the important functions of the SECP is registration/incorporation of companies.

Companies (Registration Offices Regulations), 2003

http://www.secp.gov.pk/corporatelaws/pdf/The%20Companies%20_Registration%20Offices_Regulations,2003_5.pdf

New regulations to delineate changes in company registration/incorporation procedures and to provide for related matters, including the issuance of relevant certificates. For registering companies, the SECP established Company Registration Offices (CRO) in various locations in Pakistan. Every company that is incorporated shall be assigned a company registration number generated by an electronic database and used as an identification number.

Factories Act, 1934

<http://www.ilo.org/dyn/natlex/docs/WEBTEXT/35384/64903/E97PAK01.htm>

This Act regulates working conditions in factories employing ten or more workers.

Industrial Relations Act, 2008

<http://www.ilo.org/dyn/natlex/docs/ELECTRONIC/81520/97041/F427178704/PAK81520.pdf>

In 2002, the Government of Pakistan adopted a new labour policy that aims to eventually consolidate existing labour laws. As a result, the new Industrial Relations Act of 2008 replaces the one from 1969. The Industrial Relations Act provides a framework for the relations between employers and employees. It regulates trade union activities and the avoidance and settlement of any differences or disputes arising between them or related matters.

Recognition and Enforcement (Arbitration Agreements and Foreign Arbitral Awards) Ordinance, 2010

<http://www.infopak.gov.pk/Constitution/Recognition.pdf>

This Ordinance makes provisions for the enforcement of arbitration agreements and awards that would encourage foreign investment in Pakistan and help promote valuable economic relations in international trade and commerce.

Income Tax Ordinance, 2001 and Income Tax Rules, 2002

<http://www.fbr.gov.pk/Docs/201012279125611171ITOrdinance2010.pdf>

<http://www.fbr.gov.pk/Docs/2010122710121113281incometaxrule2008.pdf>

These govern Pakistan's Income Tax. The Income Tax Ordinance is the tax code of Pakistan effective from July 2002. The procedures thereof are mainly contained in the Income Tax Rules, 2002. The financial policies and taxation measures are annually announced in accordance with government policies and existing Finance Acts.

Sales Tax Act, 1990

<http://www.fbr.gov.pk/Docs/20101213131245110staxact1990.pdf>

This Act regulates the Sales Tax in Pakistan with information on rates, exemptions and other. All foreign companies are required to register for both income and sales tax. The Sales Tax Act has been amended by subsequent Financial Acts (including in 2009 and 2010).

Special Economic Zones (SEZ) Act, 2010 (forthcoming)

http://investinpakistan.pk/portal/index.php?option=com_content&view=article&id=389:dedicated-havens-for-investors&catid=44:latest-news&Itemid=310

The drafting of a new SEZ Act is expected to increase involvement of the private sector in Pakistan, reduce the cost of doing business for investors and enhance the rate of returns on investments.

Arbitration (International Investment Disputes) Act, 2011

http://investinpakistan.pk/portal/images/stories/PDF_Docs/ICISID%20Arb_Act.pdf

Pakistan has implemented the International Convention on the Settlement of Investment Disputes between States and National of other States.

2.1.2 Agriculture and related laws / regulations

The salient features governing the Corporate Agriculture Farming (CAF) strategy of the government are as follows:

- Only such companies (foreign and local) will be entitled to CAF that are incorporated in Pakistan under the Companies Ordinance, 1984.
- State land can be purchased or leased for 50 years through open auction, extendable for another 49 years.
- All banks and financial institutions will earmark separate credit share for CAF.
- Exemption of duty for transfer of land for CAF.
- Dividends from CAF are not subject to tax.
- Raw material for manufacture of agricultural pesticides can be generally imported at zero percent rate of Customs Duty.
- Plant and machinery, equipment and vehicles meant for agriculture, harvesting, dairy, livestock, poultry, agro-based industries, horticulture and floriculture, etc. under SRO 575(I)/2006 can be imported at zero percent rate of Customs Duty.¹⁷

Land Reforms Act, 1977

http://www.punjab-zameen.gov.pk/laws_rules/Land%20Reforms%20Act,%201977.pdf

Pakistan has engaged in three land reform efforts (1959, 1972 and 1977) under three different governments. The Land Reform Act of 1977 – Pakistan's third and most recent effort at addressing

¹⁷ BOI, Corporate Agriculture Farming (CAF): <http://investinpakistan.pk/pdf/Sectoral%20Policies/CAF%20-%20Policy%20Package.pdf>

inequality in land access and land tenure insecurity – places more lenient restriction on ownership and possession of land. However, it still fails to meet its objectives of implementing effective tenancy, land ceiling and land distribution reforms.¹⁸

Plant Quarantine Act, 1976

<http://faolex.fao.org/docs/pdf/pak4008.pdf>

This Act regulates importation of plants and seeds into Pakistan. No plant or plant material may be imported that may be a source or medium of infestation or infection by diseases and plant pests destructive to agriculture or medium for the introduction of noxious weeds except under a valid import permit obtained prior. A phytosanitary certificate must also be obtained from the country of origin confirming freedom from pests and diseases.

Seed Act, 1976

<http://faolex.fao.org/docs/pdf/pak16066.pdf>

Notified varieties of crops have to be registered and their sale, exchange and barter is subject to regulation. For all other varieties certification is optional. Over 350 crop varieties have been registered. The seed law is currently under revision.

Cotton Standardization Ordinance, 2002

Cotton Standardization (Amendment) Act, 2009

http://www.na.gov.pk/uploads/documents/1300926680_450.pdf

This regulates the maintenance of cotton standards in Pakistan and ensures production of contamination-free cotton. The Pakistan Cotton Standard Institute had been given a central role under the ordinance to set cotton standards.

Agricultural Pesticides Rules, 1973

<http://faolex.fao.org/docs/pdf/pak4115.pdf>

Agricultural Pesticides (Amendment) Rules, 2007

<http://faolex.fao.org/docs/pdf/pak99986.pdf>

The Rules establish the procedure for the registration of pesticides, entrusted to the Agriculture Pesticides Technical Advisory Committee. The procedure comprehends the submission of the application, the analysis of the sample of the pesticides by the Pesticide Laboratory, the granting of a certificate of registration and the payment of fees. The Rules also delineate import prohibitions; conditions for manufacture, formulation and sale of pesticides; and other matters.

Environmental Protection Act (PEPA), 1997

<http://faolex.fao.org/docs/pdf/pak18965.pdf>

This Act provides for the protection, conservation, rehabilitation and improvement of the environment; for the prevention and control of pollution; and for promotion of sustainable development.

¹⁸ USAID, Land Tenure and Property Rights Portal, Country Profile Pakistan:
<http://usaidlandtenure.net/usaidltpproducts/country-profiles/pakistan-1>

The Forest Act, 1927

<http://punjablaws.gov.pk/laws/40.html>

An Act to consolidate the law relating to forests, the transit of forest produce, and the duty levied on timber and other forest produce.

Pakistan Pure Food Laws (PFL), 1963

The Pakistan Pure Food Laws (PFL) are the basis of the existing trade-related food quality and safety legislative framework. These Laws cover 104 food items falling under nine broad categories: milk and milk products; edible oils and fat products; beverages; food grains and cereals; starchy food; spices and condiments; sweetening agents; fruits and vegetables; and miscellaneous food products.

For more information and additional laws:

FAO FAOLEX

<http://faolex.fao.org/>

Securities and Exchange Commission of Pakistan (SECP) Laws and Policies

http://www.secp.gov.pk/Services/laws_policies.asp

Acts of the Parliament

<http://www.na.gov.pk/en/index.php>

Pakistan Ministry of Food and Agriculture (MINFA) Downloads

<http://www.minfa.gov.pk/downloads.aspx>

Pakistan Board of Investment (BOI) Sector Policies

<http://investinpakistan.pk/sec-policies.htm>

World Bank Doing Business Law Library

<http://www.doingbusiness.org/law-library/pakistan>

Lexadin Law Guide

<http://www.lexadin.nl/wlg/legis/nofr/oeur/lxwepak.htm>

2.2 Registration and approval procedures

Administration of investment is now concentrated with the Board of Investment (BOI) and the Security and Exchange Commission of Pakistan (SECP), which together act as a one-stop shop system.

2.2.1 Company registration / incorporation

The BOI acts as the first point of contact between potential investors and government agencies concerned with investment proposals and responsible for providing infrastructure and other services.

Registration of a foreign company comprises the following two main steps:¹⁹

- i. Seek Availability of Company Name
- ii. Documentation

Foreign companies can choose between setting up a liaison office, a branch office or incorporate a Pakistani company as either its wholly owned subsidiary or under joint venture with a Pakistani or foreign partner.

According to the provisions of the Companies Ordinance, a foreign company is first required to obtain a permission letter to establish a company from the BOI with a specific validity period for opening and maintaining its business in Pakistan. The BOI processes and decides cases within a period of 6 to 8 weeks after consultation with all concerned parties. The permission is granted for a period of 3 to 5 years.²⁰ A copy of the permission letter must be provided along with the documents needed for registration. The company is required to deliver prescribed documents to the Registrar of Companies in the city where principal place of business will be based, within 30 days of obtaining permission from the BOI.

Note: Foreign investment is generally subject to the same rules as domestic investment. In certain sensitive areas/sectors, prior approval from certain ministries is required.²¹

To finalize registration/incorporation, a company must register with the SECP. The procedures are administered by its Registration Department. Consult the following websites for a list of documents required by the SECP:

<http://www.secp.gov.pk/SECGuideSeries/PDF/ForeignCompaniesnov252010.pdf> (p. 5)

<http://www.iptu.co.uk/content/pdfs/PAKISTAN%20RELATED%20ARTICLES/promotersguide.pdf>

¹⁹ Securities and Exchange Commission of Pakistan (SECP), Foreign Companies' Guide <http://www.secp.gov.pk/SECGuideSeries/PDF/ForeignCompaniesnov252010.pdf>

²⁰ BOI, Branch / Liaison Offices: <http://investinpakistan.pk/branch.htm>

²¹ BOI Company Registration: <http://investinpakistan.pk/comp-reg.htm>

2.2.2 Additional licences and services rendered by the SECP

The primary functions of the SECP include registration of companies, regulating their statutory functions, and monitoring of corporate compliance through examination of statutory returns and accounts. These functions are performed by the eight regional offices – the CROs – supervised, coordinated and monitored by the Registration Department.²²

The responsibilities of the SECP have been extensively widened since its establishment. The insurance sector, non-banking financial companies and pension funds have been added to its agenda. Now its mandate includes investment financial services, leasing companies, housing finance services, venture capital investment, discounting services, investment advisory services, real estate investment trust and asset management services.

Consult the SECP website for more information.

For more information on business procedures:

Securities and Exchange Commission of Pakistan (SECP)

<http://www.secp.gov.pk/>

Opening Of Liaison / Branch Offices by Foreign Firm

<http://investinpakistan.pk/branch.htm>;

Application for Availability of Name Form

http://www.iptu.co.uk/content/pdfs/PAKISTAN%20RELATED%20ARTICLES/application_availability_name.pdf

Engineering Development Board (EDB) Cost of Doing Business in Pakistan (2010)

<http://investinpakistan.pk/pdf/codbjul2010.pdf>

Visa Policy²³

<http://investinpakistan.pk/visa-sec.htm>

2.3 Tax schemes

Federal taxes in Pakistan are classified into direct and indirect taxes. Major sources of tax revenue are federal taxes encompassing Income Tax, Sales Tax, Customs Duties and Federal Excise Duty. The Pakistan Federal Board of Revenue (FBR) is responsible for the formulation and administration of fiscal policies, and the levy and collection of federal taxes²⁴

²² SECP, Company Law Division: http://www.secp.gov.pk/CLD/cld_index.asp

²³ Every expatriate engaged as an employee is required to obtain a work visa prior to commencement of employment in Pakistan.

²⁴ Federal Board of Revenue: <http://www.fbr.gov.pk/>

2.3.1 Registering for tax

Newly incorporated companies are required to register for Income Tax and Sales Tax with the Tax Authorities in Pakistan. Every company must obtain a National Tax Number (NTN) required for Income Tax and normally by other authorities as well, including Chambers of Commerce, Import-Export Regulatory Authority, Utility Authorities. Registering for Sales Tax is done by applying for a Sales Tax Number (STN) through Form STR-1 from the Central Registration Office at the FBR in Karachi.²⁵ After verification, the Central Registration Office issues a Registration Certificate displaying the registration number and mails the same to the registered company.²⁶

2.3.2 Major taxes relevant to FDI²⁷

Income Tax

Income from salary is charged to tax at different flat rates ranging from 0 to 20 percent on progressive income slabs. Basic thresholds of exemption exist and are Rs 180 000 for male salaried taxpayer and Rs 240 000 for female taxpayers. These are the maximum amount that is not chargeable to tax.

Sales Tax

Sales Tax is levied at various stages of economic activity. The sectors required to register for Sales Tax and charge Sales Tax on their supplies/services are: Manufacturing; Import; Services; Distribution; Wholesale and Retail stage. Sales Tax is chargeable on all locally produced and imported goods except computer software, poultry feeds, medicines and unprocessed agricultural produce of Pakistan and other goods specified in the Sixth Schedule of the Sales Tax Act, 1990. The rate for Sales Tax is 16 percent of the value of supplies. Some items are chargeable to Sales Tax at 18.5 or 21 percent of value of supplies.

Corporate Tax

Corporate Tax rates have been significantly reduced over time. Currently, there is one uniform rate of 35 percent applicable to private, banking and public companies. To encourage small companies, a lower rate of 20 percent is applied to companies with capital reserves not exceeding Rs 25 million, with less than 250 employees, an annual turnover of less than Rs 250 million and without previous incorporation.

Property Tax

Income from property includes rent received or receivable by the owner of land or of a building. The rate is 18 percent on the annual rental value of the property.²⁸

Federal Excise Duties (FED)

Federal Excise Duties (FED) are levied on a limited number of goods produced or manufactured, and services provided or rendered in Pakistan. On most of the items, FED is charged on the basis of value or retail price. Some items are, however, chargeable to duty on the basis of weight or quantity. All exports are exempted from FED.

²⁵ Moreover, the Sales Tax General Order No. 4/2007 introduced electronic filing of the sales tax returns and from 1 July 2008, electronic filing was made mandatory for all categories of taxpayers.

²⁶ World Bank, Doing Business in Pakistan 2010, Starting a Business:
<http://www.doingbusiness.org/data/exploreeconomies/pakistan/starting-a-business/>

²⁷ Details on most tax information can be found at Pakistan Federal Board of Revenue: <http://www.fbr.gov.pk/>

²⁸ World Bank, Doing Business in Pakistan, Paying Taxes:
<http://www.doingbusiness.org/data/exploreeconomies/pakistan/paying-taxes/>

Special Excise Duties (SED)

Special Excise Duty (SED) is applicable at a uniform rate of 1 percent on goods produced or manufactured in Pakistan and goods imported into Pakistan, which is levied in addition to FED. However, SED is not chargeable on wholesale, distribution or retail stage. Some goods or categories of persons, provided under an excise notification, are exempt from levy of SED. These goods/persons include all agricultural produce, edible oils and fats, POL (petroleum, oil and lubricants) products, meat and poultry, natural gas and LPG, fertilizers, tin plate, computer items, temporary imports, goods subject to zero percent sales tax, supplies of the cottage industry, exportable goods, exempt imports.

Capital Value Tax

This is payable by individuals, firms and companies that acquire an asset by purchase or a right to use for more than 20 years.

Withholding Tax

- Dividends – A Withholding Tax of 10 percent is levied on dividends paid to non-residents unless the rate is reduced under a tax treaty.
- Interest – A 30 percent Withholding Tax is levied on interest paid to non-residents unless the rate is reduced under a tax treaty. The rate is 10 percent for residents.
- Royalties – Royalties paid to non-residents are subject to a 15 percent Withholding Tax unless the rate is reduced under an applicable tax treaty.
- Branch Remittance Tax – A 10 percent tax is withheld on the remittance of profits abroad.

Customs Duties

Goods imported to and exported from Pakistan are liable to rates of Customs Duties as prescribed in Pakistan's Customs Tariff. The rate structure of Customs Duty is determined by a large number of socio-economic factors. However, the general scheme envisages higher rates on luxury items as well as on less essential goods. The import tariff has been given an industrial bias by keeping the duties on industrial plants and machinery, and raw material lower than those on consumer goods.

2.4 Land procedures

Land in Pakistan is classified as state land, privately held land, or communal land subject to customary law. If there is no rightful owner, land rights are vested in provincial governments and in the federal government.

Tenancy contracts guarantee tenants with land, credit, access to irrigation networks and agricultural input in exchange for their labour on farms owned by landlords. The most frequent system of tenancy in Pakistan is sharecropping (batai) in which the produce is shared by the landlord and the tenant, typically at a 50 percent rate. Small-scale land leases are mostly without contracts, hence with little security for the tenant.²⁹

²⁹ FAO, Gender and Land Rights, Country Profile Pakistan: <http://www.fao.org/gender/landrights/report/>

Land in Pakistan is either owned or leased. However, because rural land in Pakistan is rarely bought and sold, more common are land leases.³⁰ Foreign companies incorporated in Pakistan are allowed to own land in Pakistan but permission must be obtained from the Federal Land Commission and the respective Provincial Land Commission before acquiring land. There is no ceiling on land holdings of registered agricultural companies. Land for commercial agricultural purposes is made available under long-term leases. The current duration of lease is generally of 30 years, renewable on mutual consent, while auction and private treaty are the two methods of leasing.³¹

Statutory law specific to land rights in Pakistan is fragmented and dated. Numerous laws govern a variety of land matters at both national and provincial levels. Provincial revenue legislation provides for landholding categories, record-keeping, land transactions, surveys and partition. For specific State Land Lease Policies, consult the resources below according to the respective province:

- Punjab: <http://investinpakistan.pk/lpp.pdf>
- Singh: <http://investinpakistan.pk/lps.pdf>
- Balochistan: <http://investinpakistan.pk/lpb.pdf>
- Khyber Pakhtunkhwa: <http://investinpakistan.pk/lpkp.pdf>

2.5 Investment benefits and incentives

The Pakistani Government offers a number of incentives to attract foreign investment, including full repatriation of capital, capital gains, dividends and profits. Tax and tariff incentives are available to all investors with additional special incentives for particular sectors.

2.5.1 General incentives

The Income Tax Ordinance 2001 (Part VII and other) describes numerous exemptions and concessions for the corporate sector.

The general incentives and further liberalization measures that benefit investors include:

- Foreign equity up to 100 percent allowed in most sectors;
- Attractive incentives package including: 0–5 percent Customs Duty on import of machinery; no Sales Tax on import of machinery; no Withholding Tax on import of machinery;
- Network of export processing zones / industrial estates;
- Reducing minimum foreign equity from US\$0.5 million to US\$0.3 million;
- Remittance of royalty, technology and franchise fee allowed to projects in social, service, infrastructure, agriculture and international chains food franchise;

³⁰ USAID, Land Tenure and Property Rights Portal, Country Profile Pakistan:
<http://usaidlandtenure.net/usaidltp/products/country-profiles/pakistan-1>

³¹ CAA Land Lease Policy: <http://www.caapakistan.com.pk/LandLease/Land%20Lease%20Pol.pdf>

- Zero import duties on capital goods, plant and machinery and equipment not manufactured locally. FBR can supply a list of locally manufactured goods;
- Enhanced first year allowance (FYA) from 50 to 75 percent of Plant Machinery and Equipment (PME) for infrastructure and agriculture projects;
- The import tariff on agriculture machinery (not manufactured locally) for registered corporate agricultural projects will be zero-rated;
- The investors who invest in newly opened sectors can import plant, machinery and equipment (not manufactured locally) at discounted rate of Customs Duty, which is 10 percent and also avail first-year allowance at 50 percent of the cost of plant, machinery and equipment;
- Zero import duties on raw materials used in the production of exports.³²

Incentives for Export Processing Zones (EPZs)³³ and Special Investment Zones (SIZs):³⁴

- Full exemption of Custom Duties and taxes strictly on import of capital equipment including plants, machinery and equipment;
- Corporate Income Tax holiday for a period of five (5) years existing initial depreciation / allowance of 50 percent shall be reconsidered to be enhanced to 100 percent;
- Federal government agencies to provide gas, electricity and other utilities at the zero-point of the economic zones.

2.5.2 Incentives for the agriculture sector

According to the Pakistan's Corporate Agriculture Farming (CAF) the salient features of investment policy and fiscal incentives are:

- 100 percent foreign equity allowed on case-to-case basis.
- No upper ceiling on land holdings. The size of the proposed corporate farm may be left to be determined by the prospective investor.
- State land can be purchased or leased for 50 years through open auction, extendable for another 49 years.
- All banks and financial institutions will earmark separate credit share for CAF.
- Agriculture Income Tax regime applicable in provinces, on income from agriculture, would be applicable to CAF.
- Zero percent Customs Duty and sales tax on import of agricultural machinery, equipment and implements.

³² India Pakistan Trade Unit, Competitive Advantages: http://www.iptu.co.uk/content/pakistan_compet_advant.asp

³³ Pakistan Export Processing Zones Authority: <http://www.epza.gov.pk/>

³⁴ <http://www.privatisation.gov.pk/Handout/HO-AR-10/July-10/HO%20120710%20Pakistan%20Eyes%20Investment%20in%20Special%20Economic%20Zones-Minister%20for%20Privatisation.htm>

- Exemption of duty on transfer of land for CAF.
- Tax relief; initial depreciation allowance at 50 percent of machinery cost.
- Dividends from corporate agriculture farms are not subject to tax.
- Farm income given more favourable treatment than income from other sources.³⁵

2.5.3 Investment guarantees and settlement of disputes

Effective legal protection to investment is provided by the Foreign Private Investment (Promotion and Protection) Act, 1976 and the Protection of Economic Reforms Act, 1992.

Pakistan has also signed and ratified the conventions establishing the Multilateral Investment Guarantee Agency (MIGA), the International Center for Settlement of Investment Disputes (ICSID), and the 1958 New York Convention for the Recognition and Enforcement of Foreign Arbitral Awards. Pakistan has entered into bilateral agreements on the promotion and protection of investment with more than 47 countries, which provide non-discrimination between local investors and foreign investors; equal treatment in case of compensation for losses; free transfer of investments and income; and dispute settlement mechanisms.³⁶

2.6 Restrictions and requirements

In terms of field of activity and size, no government approval is required for investment except in a few select sectors where approval must be sought at relevant ministries (banking, insurance, investment finance, venture capital, asset management, arms and ammunition).³⁷

Pakistan has a liberal foreign exchange regime with few restrictions on foreign exchange. There are no limits on the inflow or outflow of funds for remittances of profits, debt service, capital, capital gains, returns on intellectual property, or payments for imported inputs.³⁸

Foreign investors are allowed 100 percent share in industrial projects. There is no requirement for locating projects in specific areas of the country. Foreign investment may be repatriated in the services, infrastructure, and agriculture sectors subject to the conditions indicated under each sector policy without exchange control on repatriation of profits. Lastly, there is no restriction on technology transfer, payment of royalties and/or technical service fees in the manufacturing sector. For non-manufacturing sectors, the initial lump sum fee should not exceed US\$100 000. The maximum rate is 5 percent of net sales.³⁹ Private loans are also made available to foreign investors with projects in approved sectors.

³⁵ BOI, Corporate Agriculture Farming (CAF): <http://investinpakistan.pk/pdf/Sectoral%20Policies/CAF%20-%20Policy%20Package.pdf>

³⁶ BOI, International Agreements: <http://investinpakistan.pk/intl-agree.htm>

³⁷ BOI Investment Policies: <http://investinpakistan.pk/invest.pack.htm>

³⁸ India Pakistan Trade Unit, Competitive Advantages: http://www.iptu.co.uk/content/pakistan_compet_advant.asp

³⁹ India Pakistan Trade Unit, Competitive Advantages: http://www.iptu.co.uk/content/pakistan_compet_advant.asp

2.7 Investment opportunities

Pakistan affords numerous and significant opportunities for investments aimed both at increasing the export potential of the country and at tapping an emerging market with a rapidly growing middle class. "Priority industry" status has been granted to foreign investments in the information technology, oil and gas exploration, mining, leather production, corporate farming, livestock and dairy, financial business and trade, infrastructure, tourism, housing and construction sectors.⁴⁰

According to the BOI, below are the five key reasons to invest in Pakistan:⁴¹

- i. Geo-strategic location;
- ii. Trained workforce;
- iii. Positive economic outlook;
- iv. Favourable investment policies;
- v. Modernized financial markets.

The areas of investment specified in Pakistan's Corporate Agriculture Farming (CAF) policy are:

- Land development / reclamation of barren land, desert and hilly areas for agriculture purpose and crop farming;
- Reclamation of waterfront areas / creeks;
- Crops, fruits, vegetables, flowers farming / integrated agriculture (cultivation and processing of crops);
- Processing of agriculture products;
- Modernization and development of irrigation facilities and water management;
- Plantation / forestry;
- Dairy, small ruminants (sheep, goat) and other livestock farming.⁴²

Additional information on investment opportunities:

Investment Opportunities: Downloadable Sector information

<http://investinpakistan.pk/sectors.htm>

Feasibility Studies

<http://investinpakistan.pk/Feasibilities.htm>

Agriculture Project Profile

http://investinpakistan.pk/pdf/Project_Profiles/Agriculture_Agro_Food.pdf

⁴⁰ India Pakistan Trade Unit, Investing in Pakistan: http://www.iptu.co.uk/content/pakistan_investment.asp#about

⁴¹ BOI, 5 Key Reasons: <http://investinpakistan.pk/5keyreasons.htm>

⁴² BOI, CAF Policy: <http://investinpakistan.pk/pdf/Sectoral%20Policies/CAF%20-%20Policy%20Package.pdf>

2.8 Investment / trade agreements

Pakistan is party to a number of trade organizations and treaties. In addition to the WTO, Pakistan is a member of the Economic Cooperation Organization (ECO) and the South Asian Association for Regional Cooperation (SAARC), the United Nations Commission on International Trade Law (UNCITRAL) and the World Intellectual Property Organization (WIPO).

Bilateral investment treaties (BIT)

Australia 1998; Azerbaijan 1995; Bangladesh 1995; Belarus 1997; Belgium and Luxembourg 1998; Bosnia and Herzegovina 2001; Bulgaria 2002; Cambodia 2004; China 1989; Czech Republic 1999; Denmark 1996; Egypt 2000; France 1983; Germany 2009; Indonesia 1996; Iran 1995; Italy 1997; Japan 1998; Kazakhstan 2003; Republic of Korea 1988; Kuwait 1983; Kyrgyzstan 1995; Lao, PDR 2004; Lebanon 2001; Malaysia 1995; Mauritius 1997; Morocco 2001; Netherlands 1988; Oman 1997; Philippines 1999; Portugal 1996; Qatar 1999; Romania 1995; Singapore 1995; Spain 1994; Sri Lanka 1997; Sweden 1981; Switzerland 1985; Syrian Arab Republic 1996; Tajikistan 2004; Tunisia 1996; Turkey 1995; Turkmenistan 1994; United Arab Emirates 1995; United Kingdom 1994; Uzbekistan 1992; Yemen 1999.⁴³

Double taxation treaties (DTT)

Austria 2005; Austria 1970; Azerbaijan 1996; Bahrain 2005; Bangladesh 1981; Belarus 2004; Belgium 1980; Brunei 2009; Canada 1976; China 1989; Denmark 1987; Finland 1994; France 1994; Germany 1994; Hungary 1992; Indonesia 1990; Iran 1999; Ireland 1973; Italy 1984; Japan 1959, 2008; Jordan 1989; Kazakhstan 1995; Republic of Korea 1987; Kyrgyzstan 2005; Lebanon 2005; Libya 1975; Malta 1975; Mauritius 1994; Morocco 2006; Netherlands 1982; Nigeria 1989; Norway 1986; Oman 1999; Philippines 1980; Poland 1974; Portugal 2000; Qatar 1999; Romania 1999; Singapore 1993; Sri Lanka 1981; Sweden 1985; Switzerland 2005; Syrian Arab Republic 2001; Tajikistan 2004; Thailand 1980; Tunisia 1996; Turkey 1985; Turkmenistan 1994; United Arab Emirates 1993; United Kingdom 1986; United States 1957; Uzbekistan 1995; Viet Nam 2004.⁴⁴

⁴³ UNCTAD BIT Database: http://www.unctad.org/sections/dite_pccb/docs/bits_pakistan.pdf

⁴⁴ UNCTAD DTT Database: http://www.unctad.org/sections/dite_pccb/docs/dtt_Pakistan.PDF

2.9 Authorities and contact points

| | |
|---|--|
| <p><i>Board of Investment (BOI)</i> Ataturk Avenue, G-5/1 Islamabad Tel: +92 51922 4103 / 922 4101 Fax: +92 51921 5554 Email: chairman@pakboi.gov.pk Website: http://investinpakistan.pk/index.htm</p> | <p><i>Securities and Exchange Commission of Pakistan (SECP)</i> National Insurance Corporation Building Jinnah Avenue, Islamabad 44000 Tel: +92 51 111117327 Fax: +92 51 9204915 Email: enquiries@secp.gov.pk Website: http://www.secp.gov.pk/index.asp</p> |
| <p><i>Federal Board of Revenue (FBR)</i> Federal Board of Revenue House Constitution Avenue, G-5 Islamabad Tel: +92 51 111227227 Fax: +92 51 9205593 Email: helpline@fbr.gov.pk Website: www.fbr.gov.pk</p> | <p><i>Ministry of Food and Agriculture</i> Pakistan Secretariat, B Block Islamabad Tel: +92 051 9221326 Website: http://npfs-minfa.gov.pk/</p> |
| <p><i>Planning Commission</i> 4th Floor, Chughtai Plaza Fazal-e-Haq Road, Blue Area Islamabad Tel: +92 51 9202868 Fax: +92 51 9210254 Email: contact@pc.gov.pk Website: http://www.planningcommission.gov.pk/</p> | <p><i>Ministry of Commerce</i> Block A, Pak. Secretariat Islamabad Tel: +92 51 9208692 Fax: +92 519205241 Email: mincom@commerce.gov.pk Website: http://www.commerce.gov.pk</p> |
| <p><i>Ministry of Economic Affairs & Statistics</i> Tel: +92 51 9210629 Fax: +92 51 9210734 Email: secretary@ead.gov.pk Website: http://www.ead.gov.pk</p> | <p><i>Ministry of Finance & Revenue</i> Block Q, Finance Division, Pak. Secretariat Islamabad Tel: +92 51 9206382 Email: so_coord1@finance.gov.pk Website: http://www.finance.gov.pk/</p> |
| <p><i>Ministry of Environment</i> M/o Environment, LG&RD Complex, G-5/2 Islamabad Tel: +92 51 9224578 / 9224174 Fax: +92 51 9224890 Email: minister@moenv.gov.pk Website: http://www.moenv.gov.pk/</p> | <p><i>Ministry of Textile Industry</i> 2nd Floor, FBC Building, G-5/2 Islamabad Tel: +92 51 9212799 Fax: +92 51 9214015 Email: minister@textile.gov.pk Website: http://www.textile.gov.pk/</p> |
| <p><i>Ministry of Petroleum & Natural Resources</i> Block A, Pak Secretariat Islamabad Tel: + 92 51 9210220 / 9206416 Fax: + 92 51 9213180 Email: minister@mpnr.gov.pk Website: http://www.mpnr.gov.pk/</p> | <p><i>Privatization Commission</i> 5-A EAC Building, Constitution Avenue Islamabad Tel: +92 51 9205146 Fax: +92 51 9203076 / 9211692 Email: info@privatisation.gov.pk Website: http://www.privatisation.gov.pk</p> |
| <p><i>Ministry of Water & Power</i> Block A, Pak. Secretariat Islamabad Tel: +92 51 9212442 Fax: +92 51 9224825 Email: fminister@mowp.gov.pk Website: http://www.mowp.gov.pk/</p> | <p><i>Federal Seed Certification and Registration Department</i> G-9/4, Mauve Area Islamabad Tel: +92 51 9260126 / 9260150 Fax: +92 51 9260234</p> |

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|--|---|
| <p><i>Directorate General of Immigration and Passport</i> Mauve Area, G-8/1 Islamabad Tel: +92 51 9107047 / 9107070 Fax: +92 051 9107041 Email: info@dgip.gov.pk Website: http://www.dgip.gov.pk/</p> | <p><i>Bureau of Emigration & Overseas Employment (BE & OE)</i> Kohsar Building Block No. 6, G-7 Markaz Sitara Market, Islamabad Tel: +92 51 9253181 Fax: +92 51 9253182 Email: dg@beoe.gov.pk Website: http://www.beoe.gov.pk/</p> |
| <p><i>Federal Land Commission</i> 7th Floor, Shaheed-i-Millat Secretariat Islamabad Tel: +92 51 9204684 Fax: +92 51 9201572</p> | <p><i>Punjab Agriculture Department</i> Tel: +92 41 2651371 / 2654359 Fax: +92 41 2653874 Email: dba@agripunjab.gov.pk Website: http://www.agripunjab.gov.pk/</p> |
| <p><i>Small and Medium Enterprise Development Authority (SMEDA)</i> 6th Floor, LDA Plaza, Egerton Road Lahore Tel: +42 111111456 Fax: +42 36304926-7 Email: helpdesk@smeda.org.pk Website: http://www.smeda.org.pk/</p> | <p><i>Pakistan Environmental Protection Agency</i> 311, Margalla Road, F-11/3 Islamabad 44000 Tel: +92 51 9267627 Fax: +92 51 9267625 Email: dg@environment.gov.pk Website: http://www.environment.gov.pk/</p> |
| <p><i>Export Processing Zone Authority (EPZA)</i> 99, G-9/3 Islamabad 44000 Tel: +92 21 35082003 Email: info@epza.gov.pk Website: http://www.epza.gov.pk/</p> | <p><i>Trade Development Authority of Pakistan</i> 3rd Floor, Block A, Finance & Trade Centre P.O. Box No. 1293 Karachi 75200. Tel: +92 21 99206486 Fax: +92 21 99206461 Email: tdap@tdap.gov.pk Website: http://www.tdap.gov.pk/</p> |
| <p><i>National Tariff Commission</i> P.O. Box No. 1689, G.P.O 44000, Islamabad Fax: +92 51 9221205 Email: ntc@ntc.gov.pk Website: http://www.ntc.gov.pk/</p> | <p><i>Punjab Board of Investment & Trade</i> 23 Aikman Road GOR 1, Lahore Tel: +92 42 99205201-6 Fax: +92 42 99205179 Email: info@pbit.gop.pk Website: http://www.pbit.gop.pk/</p> |

Appendices

Key social and economic indicators

| Population | |
|--|-----------|
| Total population (millions) (2010) | 184.8 |
| Population growth (annual %) (2009) | 2.1 |
| Life expectancy at birth (years) (2009) | 66.9 |
| Rural population (%) (2010) | 63 |
| Employment in agriculture (% of total employment) (2007) | 43.6 |
| Rural population growth rate (%) (2009) | 1.5 |
| Unemployment (% of total labour force) (2008) | 5.0 |
| Proportion of undernourished in total population (%) (2005–07) | 26 |
| Dietary energy consumption (cal/person/day) (2005–2007) | 2 251 |
| Mortality rate, under 5 (per 1 000) (2009) | 87.0 |
| Mortality rate, infant (per 1 000 live births) (2009) | 70.5 |
| Adult literacy rate (%) (2008) | 55.5 |
| HDI value (2010) | 0.490 |
| HDI rank (out of 182) (2010) | 125 |
| Land and input | |
| Total area (1 000 ha) (2009) | 79 610 |
| Land area (1 000 ha) (2008) | 77 088 |
| Agricultural area (1 000 ha) (2008) | 26 200 |
| Arable land (1 000 ha) (2008) | 20 347 |
| Permanent crops (1 000 ha) (2008) | 853 |
| Pastures (1 000 ha) (2008) | 5 000 |
| Forest area (1 000 ha) (2010) | 1 687 |
| Irrigated land (1 000 ha) (2008) | 19 870 |
| Share in total water (%) use by: | |
| - Agricultural (2000) | 94.3 |
| - Industrial (2000) | 2.0 |
| - Domestic (2000) | 3.7 |
| Fertilizer consumption (tonnes) (2008) | 3 323 316 |
| Tractors (number per 1 000 ha of arable land) (2006) | 20.5 |
| Economic | |
| GDP (current US\$ billions) (2009) | 162.0 |
| GDP per capita (current US\$) (2009) | 955 |
| GDP growth (annual %) (2009) | 3.6 |
| GNI per capita, Atlas method (current US\$) (2009) | 1 000 |
| Inflation, consumer prices (%) (2009) | 13.7 |
| Agriculture, value added (% of GDP) (2009) | 21.6 |
| Value of agricultural exports (US\$ millions) (2008) | 2 628 |
| Share of agricultural exports (% of total exports) (2008) | 12.9 |
| Value of agricultural imports (US\$ millions) (2008) | 5 281 |
| Share of agricultural imports (% of total imports) (2008) | 12.5 |
| Crop production index (1999–2001=100) (2009) | 125 |

Sources: FAO, World Bank, UNDP

For overviews of Pakistan:

FAO Country Profile

<http://www.fao.org/countryprofiles/index.asp?lang=en&ISO3=PAK>

FAO Country Brief

<http://www.fao.org/countries/55528/en/pak/>

Pakistan Official Government Website

<http://www.pakistan.gov.pk/>

Asian Development Bank

http://www.adb.org/Documents/Fact_Sheets/PAK.pdf

http://www.adb.org/Documents/Books/Key_Indicators/2009/pdf/PAK.pdf

IFAD Rural Poverty Portal

<http://www.ruralpovertyportal.org/web/guest/country/home/tags/pakistan>

World Bank Country Brief

<http://go.worldbank.org/JVBI7WVMY0>

CIA World Factbook

<https://www.cia.gov/library/publications/the-world-factbook/geos/pk.html>

For additional development data for Pakistan:

UNDP Human Development Indicators

<http://hdrstats.undp.org/en/countries/profiles/PAK.html>

World Bank World Development Indicators

<http://data.worldbank.org/country/pakistan>

UN Millennium Development Goals Indicators

<http://unstats.un.org/unsd/mdg/Data.aspx>

World Bank Pakistan at a Glance

http://devdata.worldbank.org/AAG/pak_aag.pdf

Key agricultural production and trade data

| Production of major agricultural commodities | | |
|---|------------------------|---------------------------|
| | Major crops (2008) | Value (Current US\$1 000) |
| | Wheat | 3 023 994 |
| | Cotton lint | 2 983 804 |
| | Rice, paddy | 2 162 313 |
| | Major crops (2008) | Quantity (tonnes) |
| | Sugar cane | 63 920 000 |
| | Wheat | 20 958 800 |
| | Rice, paddy | 10 428 000 |
| | Yield (2008) | Yield (hg/ha) |
| | Maize | 34 153 |
| | Rice | 35 198 |
| | Soybeans | 5 918 |
| | Sugar cane | 514 944 |
| | Wheat | 24 513 |
| | Livestock (2008) | Number of live animals |
| | Chickens | 272 000 000 |
| | Goats | 56 742 000 |
| | Cattle | 31 830 000 |
| | Meat production (2008) | Quantity (tonnes) |
| | Buffalo | 708 000 |
| | Cattle | 680 000 |
| | Chickens | 599 753 |
| Imports of major agricultural commodities (2008) | | |
| | Commodity | Value (current US\$1 000) |
| | Palm oil | 1 464 300 |
| | Cotton lint | 1 159 100 |
| | Wheat | 776 750 |
| | Commodity | Quantity (tonnes) |
| | Wheat | 1 820 230 |
| | Palm oil | 1 763 940 |
| | Cotton lint | 886 832 |
| Exports of major agricultural commodities (2008) | | |
| | Commodity | Value (current US\$1 000) |
| | Rice, milled | 1 607 790 |
| | Oil, hydrogenated | 120 352 |
| | Sugar, refined | 82 411 |
| | Commodity | Quantity (tonnes) |
| | Rice, milled | 2 599 180 |
| | Molasses | 780 807 |
| | Sugar, refined | 268 844 |

Source: FAOSTAT

For additional statistics on agriculture and production:

FAOSTAT for statistics on agricultural production, trade, food supply, prices, agricultural resources and other

<http://faostat.fao.org/>

World Bank Agriculture & Rural Development Statistics

<http://data.worldbank.org/topic/agriculture-and-rural-development>

USDA Agricultural Production, Supply and Distribution (PSD) database

<http://www.fas.usda.gov/psdonline/psdQuery.aspx>

For information on food security in Pakistan:

FAO Food Security Statistics

http://www.fao.org/fileadmin/templates/ess/documents/food_security_statistics/country_profiles/eng/Pakistan_E.pdf

IFPRI Food Security Portal for Pakistan

<http://www.foodsecurityportal.org/pakistan>

Global Information and Early Warning System (GIEWS) on food and agriculture Country Brief

<http://www.fao.org/giews/countrybrief/country.jsp?code=PAK>