

OVERSEAS INVESTORS CHAMBER OF COMMERCE AND INDUSTRY



ANNUAL REPORT 2018



THE DOTS ON THE TITLE PAGE REFLECT THE OICCI MEMBERS' REPRESENTATION FROM 35 COUNTRIES ACROSS THE WORLD

Vision

To be the premier body for promoting new and existing overseas investment in Pakistan by leveraging world-class expertise of OICCI members for the benefit of the investors and the country



QUAID-E-AZAM MOHAMMAD ALI JINNAH BEING WELCOMED BY THE CHAIRMAN, R. L. COGHLAN, AT THE CHAMBER'S ANNUAL CONFERENCE IN 1948

Mission

- To assist in fostering a conducive, open and equitable business environment in Pakistan
- To facilitate the transfer of best global practices to Pakistan
- To enhance the image of overseas investors in Pakistan and of the country abroad

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OICCI Profile

The Overseas Investors Chamber of Commerce and Industry (OICCI) is the collective voice of all major foreign investors in Pakistan. Established over 150 years ago in 1860, primarily as a business chamber for foreign investors, the OICCI is engaged in promoting Foreign Direct Investment (FDI) in Pakistan, besides protecting the interest of existing foreign investors/OICCI members. Through its diversified activities, the OICCI contributes significantly to supporting commerce and industry across the country.

- 187 Members belong to 35 countries and involved in 14 key sectors of Pakistan economy
- 56 OICCI members are listed on Pakistan Stock Exchange
- 50 Members are associates of the 2018 Global Fortune 500 Companies

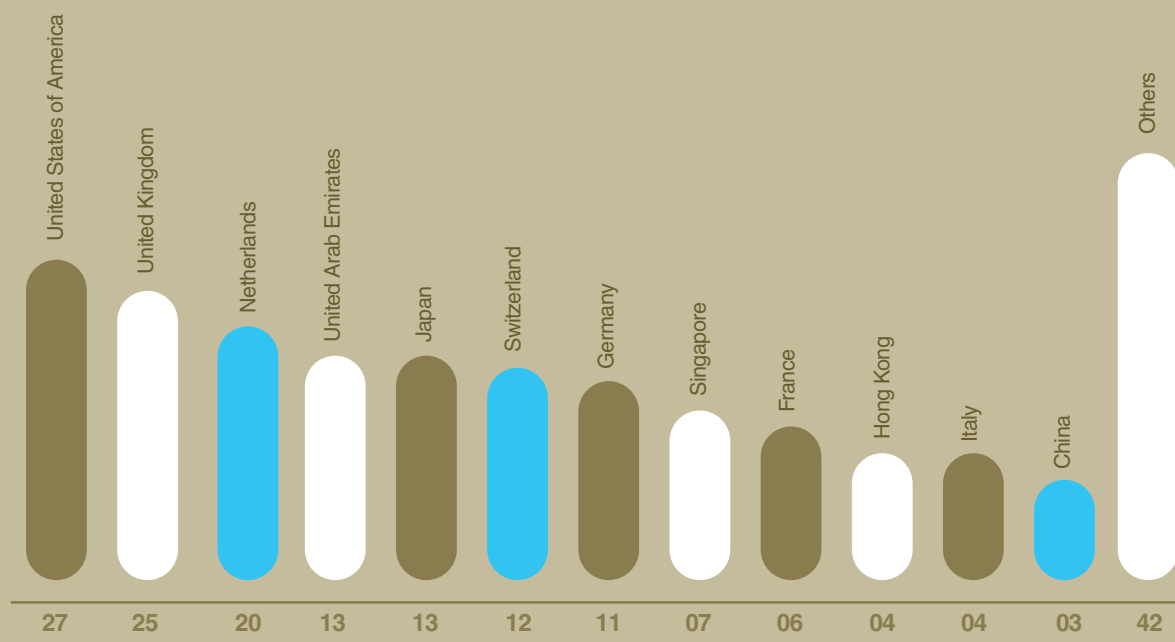
Major contributor to the economy of Pakistan

- About one third of the total taxes and levies in Pakistan are collected from OICCI members
- Total value of members' assets in excess of PKR 10 trillion
- Annual new capital expenditure in excess of PKR 297 billion
- Members provide direct and indirect employment to around one million people
- Significant role in various CSR activities across the country – over 60 million beneficiaries in 2017-18

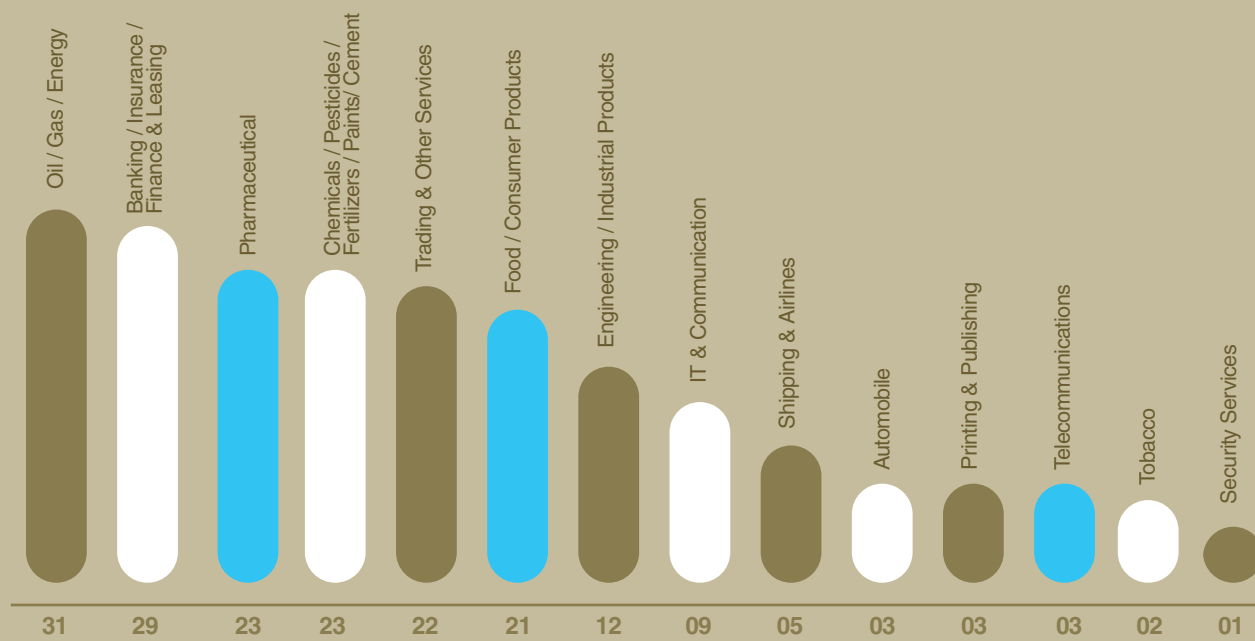
Incentives for Foreign Investors in Pakistan

- 100% foreign shareholding allowed in legal entities incorporated in Pakistan
- No restriction on repatriation of dividends, royalties and capital
- Business losses can be carried forward for six years for tax purposes
- No minimum capital requirement except in the banking sector
- Avoidance of double taxation agreements with over sixty countries
- Several fiscal incentives like tax holidays and accelerated tax depreciation
- Level playing field – no discrimination between foreign and local investors
- Intellectual Property Rights law enacted in 2012
- Ease of hiring expatriates
- Other fiscal incentives: Special Export Processing Zones

OICCI Members Country of Origin



Members' Representation in all Major Business Sectors



Report of the Managing Committee

The Managing Committee (MC) Members of the Overseas Investors Chamber of Commerce and Industry (OICCI) are pleased to present the Annual Report of your chamber along with the audited financial statements for the year ended December 31, 2018 and the Auditors' Report thereon.

Overview of the Business Environment

As expected, 2018 has been a challenging year for the country with intense political activity and far reaching impact on the economy and business confidence. Following a poor performance on Balance of Trade and Balance of Payment, the Pakistani Rupee came under tremendous pressure and depreciated over 25% since the beginning of the year including 15% since July 2018. The State Bank of Pakistan (SBP) raised the Policy Discount Rate to a record level of 10% in November, and Inflation also increased rapidly in the last six months of the year, partially due to increasing international oil prices and rupee devaluation. The new government has already introduced, in September 2018, a Supplementary Finance Act which is expected to be followed by a mini budget in January 2019 with the aim to consolidate the economic fundamentals of the country. The rapid change in the economic landscape especially during the last six months, though it may have been unavoidable, is bound to negatively impact the business and investment environment and may slow down the GDP growth in the ongoing fiscal year 2018-19.

It is encouraging that the government has managed to boost the depleting foreign exchange reserves of the country with assistance from few friendly countries and has shown commitment to kick start the economic growth by addressing issues relating to shortfall in tax revenue, growing level of circular debt and necessary measures required to boost exports. There is, however, a need for the government to layout its mid-term economic recovery strategy showing a clear roadmap for sustainable economic growth during the next few years. The government needs to share soon its strategy to diversify and enhance exports, and more importantly the Industrial Policy for 2019 and beyond, so as to attract sizeable domestic and foreign investment in manufacturing and job creating ventures. The key economic stakeholders are also seeking more information about the way forward on CPEC projects and the role private sector can play in harnessing full economic benefit of this great China-Pakistan initiative of "One Belt One Road." The progress on government's strategy to arrest the huge financial burden from the loss making State Owned Enterprises (SOE), we hope, will be visible during 2019.

The Foreign Direct Investment (FDI) inflow into the country, during the fiscal year 2017-18 at USD 2.8 billion, stayed flat as compared to the previous year. During the first five months of the ongoing fiscal year 2018-19, the FDI at USD 0.9 billion is substantially lower than the already low FDI of USD 1.4 billion in the corresponding period last year. The downward slide in the FDI trend is a matter of great concern for all the stakeholders. You will be pleased to know that despite the low FDI inflow into the country, the OICCI members have once again given a visible vote of confidence to the potential of the country and invested USD 2.7 billion, in the previous year in new capital expenditure to enhance industrial capacities and modernize their facilities.

Your MC in its two meetings with the Prime Minister, in January and December 2018, as well as in regular meetings with the government ministers and functionaries, diplomats and various foreign visitors and delegations have presented a balanced view of the FDI environment and opportunities, but more importantly identified what actions are required to facilitate large scale FDI in the country. Significantly improved security situation together with improved energy supply and smooth transition of political leadership, for the third time in the past ten years, support the positive opportunities available to attract large FDI in the country. The OICCI is an active participant in the Prime Minister-led efforts to improve the Ease of Doing Business (EODB), which together with predictable, consistent and transparent policies and its implementation are needed to attract international investors to Pakistan.

Overview of the activities at the Chamber

The OICCI members were informed at the beginning of MC 2018 term, that MC will focus on OICCI purpose: "Promote overseas investment by leveraging global experience for members and Pakistan's benefit" with the four key priorities: 1) Transfer of global best practices to ease the tax burden; 2) Transfer of global best practices on EODB to foster a conducive, open and equitable business environment; 3) Raise OICCI's profile to count in Pakistan's government policy setting and implementation; and 4) Enhance the image of Pakistan abroad to attract FDI. The work plans of the MC and the subcommittees throughout 2018 were aligned around these priorities.

As the details of the activities of the chamber are covered separately in this report, we shall mention below only some of the key events and activities during the year.

The most important event was the meeting of the MC members with the Prime Minister of Pakistan, Mr. Imran Khan, in December 2018 during which he was informed about the OICCI role as FDI ambassador of

Pakistan and for promoting the FDI opportunities to potential foreign investors and diplomats, as well as the fact that OICCI members are significant investors in the country and made capital investment of over USD 10.4 billion in the past 6 years. We also raised members' concern on various issues including the long pending tax refunds, growing number of interprovincial coordination issues, lack of harmonization of food standards among the provinces, and delays in settlement of issues like pharma pricing following PKR devaluation. We also offered to the government, OICCI members' expertise in improving EODB, streamlining taxation structure, implementing the Energy Reform recommendations and building up a positive image of the country overseas by sharing the success stories of our members operating in Pakistan and in sharing strategies which have worked internationally in boosting investment and exports.

The Chamber's President, Irfan Wahab Khan, also presented to the Prime Minister the OICCI 'Recommendations on National Program for Digital Transformation' which if acted upon could lead the country into an era of digital and financial inclusion and good governance and help in the positive branding of Pakistan.

The Prime Minister acknowledged the contribution of OICCI members and promised full support to foreign investors in their business growth plans. The Prime Minister was also appreciative of the OICCI initiative on Digital Recommendations which will be leveraged in support of good governance in health, education, agriculture and for broadening the tax base in the country.

During the year, the MC members and the Secretary General had various interactions, both collectively and individually, with senior government officials both from federal and provincial governments on matters relating to issues faced by OICCI members, recommendations to accelerate FDI, employment and economic growth, simplifying procedures to facilitate 'Ease of Doing Business', improving policy framework especially in relation to taxation, and to proactively manage growing number of interprovincial coordination and compliance issues.

Minister for Finance, Revenue and Economic Affairs, Mr. Asad Umar, visited the chamber in early November for an extensive interaction with all the members where he responded to OICCI members' concerns on a number of issues including delayed tax refunds, higher circular debts, delays in remittances by SBP and exemption of Inter Corporate Dividend for Group Companies. As recommended by OICCI, the government has already announced segregation of FBR Policy role into an independent policy board and to engage the private sector and to leverage the benefit of CPEC projects.

The chamber has regularly interacted with key officials, regulatory authorities, diplomats, media and other stakeholders, to identify measures required to facilitate existing and potential foreign investors. The OICCI leadership had regular interactions with senior media representatives in Islamabad, Karachi and Lahore. Moreover, the chamber also supported in the training of newly inducted senior tax officials and separately arranged a dedicated training session for journalists.

The OICCI presented various suggestions to improve EODB as a means to attract FDI in a foreign office sponsored envoy conference, chaired by the Prime Minister during December 2018. Further details of extensive profile building and advocacy activities of the chamber throughout the year are reported elsewhere in this Annual Report 2018.

Throughout the year, the chamber organized many activities on Women Empowerment/Gender Equality, under the title "OICCI Women: Empowering for a Brighter Tomorrow" which culminated with the "OICCI Women Empowerment Awards 2018" ceremony on December 12, 2018 in a grand manner in Karachi. The ceremony was attended by a large number of CEOs, HR and other senior executives from different OICCI member companies, as well as diplomats and other distinguished guests. The MC is committed to advocate and promote, not only amongst members but also at national level, equal opportunity for women to participate in the development of the country. A position paper based on feedback from few sessions held in 2018 is in final stages to be presented to the authorities to set the minimum national standards as well as best practices for encouraging women empowerment and making a difference in the life of the large women population of the country.

Two Business Confidence Index (BCI) surveys were conducted across Pakistan during 2018. BCI Wave 16 was released in April 2018 and extensively shared with the government leadership all over the country, OICCI members, diplomats, regulatory and trade bodies and was also prominently covered by the media. The overall BCI Score was positive at 14% but lower than 21% recorded in the last BCI Wave 15, done in November 2017. The sentiments of OICCI members, who were randomly included in the BCI Wave 16, were aligned with the overall sentiments, albeit to a limited extent, and declined to 38% vs. 42% previously. The major concerns of OICCI participants of the BCI Wave 16 were related to taxation issues, including pending tax refunds and inconsistency and non-transparent implementation

of policies. The field work for BCI Wave 17 was completed in December 2018 and the report is expected to be released in January 2019.

As a follow-up of the OICCI Energy Subcommittee report "OICCI Energy Reforms 2017", another set of 'Energy Reform Recommendations' were submitted to the Ministers of Energy (Power and Petroleum Divisions) in October, 2018. The recommendations, which cover the Upstream, Downstream and Power sector and suggest to manage Thar Coal and Renewable Energy sectors, include matters related to development of an integrated generation, transmission and distribution plan including asset management to deliver power to the end-consumer in an efficient, cost-effective and sustainable manner, upgradation of the transmission and distributions systems with modern technology and to enhance capacity and transparency leading to reduced power losses, increased revenues and collection and improved management across the entire value chain. Despite many attempts since October 2018, OICCI Energy Subcommittee members have not been able to seek a meaningful meeting with the concerned minister(s) and their respective senior officials.

The MC and the nine subcommittees of the chamber remained active in propagating the OICCI agenda including recommending measures to improve the operating environment for foreign investors in the country. These subcommittees met at regular intervals to identify the most pressing issues pertaining to their respective mandates and presented several quality reports and recommendations, which were duly shared with the relevant authorities.

The OICCI comprehensive Taxation Proposals for the Budget 2018-19 were presented to the FBR leadership in February 2018. The OICCI proposals included recommendations for documentation of the economy, broadening of the tax base, incentives to accelerate FDI especially in the large scale manufacturing, revamping of the withholding tax regime and simplification in the taxation structure. There were also review meetings at OICCI in respect of the provincial taxation proposals with Punjab Minister of Finance and Chairman of Punjab Revenue Authority followed by another separate interactive session with the Chairman Sindh Revenue Board. In view of the July 25, 2018 national election, the 2018-19 federal and provincial budgets were less committal on taxation measures as the framers of the budgets wanted the new government to own the policy changes, wherever required. The

new government has already made few changes in the taxation regime in the past four months and further levies are feared in the upcoming mini budget in January 2019. The OICCI has already cautioned the new government to aggressively focus on broadening the tax base, attract FDI in the manufacturing industries in Pakistan and not add to the burden of existing taxpayers like OICCI members who are amongst the largest taxpayers in the country.

The fourth annual Security Survey amongst OICCI members was conducted in June 2018 and results once again indicate a visible improvement in the security environment in Pakistan, especially in Karachi compared to prior to 2013 and even in comparison to last year. The improved security environment has boosted the confidence of foreign investors and is reflected in the substantial increase in the visits of the senior management of the existing and potential foreign investors.

The chamber continues to actively propagate effective implementation of the Intellectual Property Rights (IPR) in Pakistan. The newly appointed Chairman of Intellectual Property Organization of Pakistan (IPO-P) has already had two useful interactive sessions with the OICCI members during the year. Chairman IPO-P has been requested to activate the IPO-P Policy Board which has not met since 2016. President OICCI is one of the private sector representatives on the IPO-P Policy Board. The OICCI experts on IPR have, throughout the year, given lectures at leading business schools (IBA/LUMS/KSBL/SZABIST) on the significance of IPR and its relevance in attracting FDI in the country. The chamber will shortly be publishing a comprehensive IPR booklet, in collaboration with a firm of well-known IPR Legal Attorneys covering all aspects of IPR in Pakistan. This publication is expected to be of immense benefit for all stakeholders, and more specifically for potential new foreign investors.

Your MC is very appreciative of the role played by OICCI members in the socioeconomic development of communities across the country. The OICCI CSR Report 2017-18, issued in October 2018, gives details of the extensive financial and non-financial contribution of the existing foreign investors which has collectively reached out to over 60 million direct beneficiaries throughout Pakistan supported by a direct investment of 1.2 million of human hours and PKR 6 billion in financial terms. In addition, Novartis Pharma (Pakistan) Limited has, in coordination with its major shareholders, invested USD 140 million

(PKR 15 billion) under the Novartis Access Program to provide medicines to treat important non-communicable diseases (NCDs) in low to lower middle income groups in Pakistan.

During 2018, increasing number of foreign business delegations, ambassadors and other diplomats, as well as officials from the global and regional offices of member companies and media representatives from overseas visited the chamber for discussions with the MC and members to get an independent assessment of the investment and economic environment in the country, and to get an insight into the corporate governance practices and various aspects of doing business in Pakistan. Your MC also organized a dedicated session in September 2018 in Islamabad with the diplomats of 35 countries represented at OICCI and representatives of international funding agencies, giving them our perspective of the business environment, investment opportunities and way forward for making Pakistan achieve its true FDI potential. During 2018, OICCI also cosponsored many international conferences and events meant to promote the opportunities for economic growth and investment in the country. President OICCI and many MC members were also lead speakers in a large number of events focused on technology, governance and “Destination Pakistan” for FDI.

We are happy to report that a number of pharma industry issues were addressed by the authorities in 2018, including the approval of the Drug Pricing Policy (DPP) 2018, after extensive consultations with the representatives of the pharma sector. Most of the pricing issues faced by the industry were addressed in the policy with the exception of drastic devaluations of the Pakistani Rupee against the US Dollar. The Supreme Court of Pakistan (SCP), on a representation made by the industry, ordered the Policy Board of DRAP to decide within 15 days upon any revision in prices due to rupee devaluation. Another issue of importance was the withdrawal of SRO 1002 by the government that allowed an increase in price after being frozen for a period of twelve years from 2001 to 2013. The SCP ordered that the drug prices will not be reversed and will remain as at August 3, 2018. Any subsequent price adjustments will be done according to DPP 2018.

Another concern of the pharma industry amicably resolved, in line with global norms, was the extension of the deadline for the implementation of track and trace system (Barcoding Rules) as an anti-counterfeit measure, for six years.

Total six luncheon meetings with CEOs of member companies were hosted by the President OICCI, two each in Karachi, Lahore and Islamabad during 2018.

Financial Performance

The Income and Expenditure Account for the year ended December 31, 2018 shows a Net Surplus of PKR 6.3 million after tax, as compared to a Net Surplus of PKR 19.6 million in the previous year. The decrease is due to significantly higher legal expenses incurred by the Pharma Bureau related to pharma pricing issues taken up in the courts.

The chamber's annual subscription fee was increased during the year, after three years, in line with the approval given by members in the 157th AGM held on January 31, 2017.

At the end of the year 2018, the chamber had 189 members, a decrease of two members as compared to the number at the end of the previous year, with no new members joining the chamber, and 2 withdrawing mainly due to winding up of business.

The chamber has entered into an agreement with a renowned Architect/Interior Designer on a turn-key basis which includes, Consultancy Services of Architectural, Structural, Electrical, Plumbing, Firefighting, Air conditioning, Interior Design and Project Management Services for the Conservation and Restoration/Renovation of the heritage office building, as it needed a major upkeep.

Way Forward

The government is increasingly engaging with some of the private sector for building a working relationship to ensure economic growth and stability. We also believe Pakistan is a land of opportunities and, given good governance and predictable, consistent and

progressive policies and its implementation, has considerable potential to attract sizeable domestic and foreign investment.

During 2019, the chamber will continue to remain engaged with key policymakers at the highest level and maintain a more effective presence and interaction at various forums, where the main thrust would be on addressing members' key concerns and recommendations to rapidly improve the Ease of Doing Business so as to move the country forward on a faster growth trajectory.

Conclusion

During the year, Bruno Olierhoek, who took over as President for the current term resigned as he was transferred out of the country by his employer and the vacancy was filled by Irfan Wahab Khan who was elected unopposed as the President. There were also two additional vacancies in the MC due to the transfer out of Jawwad Ahmed Cheema of Shell and the elevation of Tayyab Tareen as a non-Executive Chairman of K-Electric. These vacancies were filled by inviting Syed Javed Iqbal, CEO of Pakistan Tobacco, and Olivier Sabrie, CEO of Total Parco. The MC hereby records its' sincere appreciation for the leadership provided by Bruno Olierhoek and the contribution of the outgoing two MC members, during this period and wishes them success in their respective new responsibilities.

A sincere word of gratitude to all the stakeholders in the federal and provincial governments, regulatory bodies, the members of the MC, the OICCI members and the OICCI Secretariat Team for their continuing support and guidance, which made 2018 a memorable year for OICCI. We wish all of you great happiness and success in 2019.

MC would like to appreciate all those members who actively participated in the chamber's activities and request all the members to increasingly participate in the chamber's activities for availing maximum benefit from the extensive networking and learning opportunities made available at the chamber throughout the year.


The chamber's secretariat continued to look after the interests of the members and regularly took up their new and existing concerns with the relevant authorities, besides organizing several new, as well

as regular programs during the year. The MC thanks the Secretary General and his team, as well as the chairpersons and members of the subcommittees for their accomplishments in 2018.

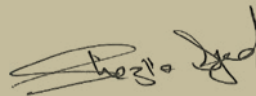
We also thank members of the outgoing MC for their strong support to the chamber throughout the year. We are confident the OICCI will remain a 'port of first call' for all potential foreign investors and a key partner to the authorities in attracting FDI.

We warmly welcome Shazia Syed as the new President of the chamber, Shazad Dada as the incoming Vice President and members of the new MC, whose names will be announced in the next AGM, and wish them great success in 2019.

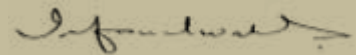
We are confident that 2019 will prove to be another year of high accomplishment for your esteemed chamber.



M. Abdul Aleem
Secretary General



Shazia Syed
Vice President



Irfan Wahab Khan
President

Managing Committee Members 2018

As on December 31, 2018



PRESIDENT OICCI

Mr. Irfan Wahab Khan

Chief Executive Officer

Telenor Pakistan (Private) Limited



VICE-PRESIDENT OICCI

Ms. Shazia Syed

Chairperson and Chief Executive Officer

Unilever Pakistan Limited



SECRETARY GENERAL OICCI

Mr. M. Abdul Aleem

Overseas Investors Chamber of Commerce and Industry (OICCI)

Members



Mr. Ghiasuddin Khan
Chief Executive Officer
Engro Corporation Limited



Mr. Helmut Von Struve
Managing Director
Siemens Pakistan
Engineering Company Limited



Mr. Kimihide Ando
Sitara-e-Pakistan
Chief Executive Officer
Mitsubishi Corporation



Mr. Olivier Sabrie
Chief Executive Officer
Total Parco Pakistan
Limited



Mr. Saquib H. Shirazi
Chief Executive Officer
Atlas Honda Limited



Mr. Sarim Sheikh
President and Chief
Executive Officer
General Electric
International Operations
Company Inc.



Mr. Shazad G. Dada
Chief Executive Officer
Standard Chartered Bank
Pakistan Limited



Ms. Sima Kamil
President and Chief
Executive Officer
United Bank Limited



Mr. Syed Anis Ahmed
Managing Director
Abbott Laboratories
(Pakistan) Limited



Mr. Syed Javed Iqbal
Managing Director and
Chief Executive Officer
Pakistan Tobacco
Company Limited

* Mr. Bruno Olierhoek, CEO Nestle Pakistan, who was elected President for the 2018 term, resigned in June 2018 due to transfer overseas.

* Mr. Jawwad Ahmed Cheema, CEO Shell Pakistan, who was elected for the 2018 term, resigned in June 2018 due to transfer overseas.

* Mr. Tayyab Tareen, CEO K-Electric, who was elected for the 2018 term, resigned in June 2018 due to his appointment as Chairman KE.

Summary of OICCI Activities in 2018

POLICY REFORMS AND ADVOCACY

The Managing Committee and Members of the Overseas Investors Chamber of Commerce and Industry (OICCI) remained engaged throughout the year with a number of events and activities, which included meetings with the Prime Minister of Pakistan, Provincial Chief Ministers, Federal and Provincial Ministers, Heads of Regulatory Bodies and other senior government officials. The prime objective of these meetings, which were held in the chamber or in the offices of the respective officials, is to do appropriate and timely advocacy for safeguarding members' interests, take up their legitimate issues for resolution and to support all the actions of the authorities leading to further raising the bar for an enabling business environment where the compliant business sectors are reasonably satisfied that they are operating in a level playing field. The government authorities also appreciate the contribution of the OICCI members to the economy of Pakistan and this recognition could be noted by the fact that nominees of the chamber currently sit on a number of official forums and regulatory bodies, details of which are given elsewhere in this report.

The chamber shared policy related inputs with the federal and provincial governments on a number of matters which impact fiscal, commercial, industrial and other matters, to ensure that the views of the OICCI members, who are by far the largest bloc of foreign investors in the country, are duly considered in formulation and implementation of government policies. It is important to add that the government authorities give due consideration to the recommendations received from the chamber, which is a major stakeholder in the country's economy, as members of the OICCI

collectively pay over one-third of total taxes collected in Pakistan, besides making substantial new investments every year. The results of the researches and surveys conducted by the chamber, on various aspects impacting the business climate in the country, are extensively shared with all the key stakeholders, including government authorities, so that these can be further shared and used in creating a balanced perception of the country, for facilitating Foreign Direct Investment (FDI).

OICCI Managing Committee meets Prime Minister Imran Khan at Governor House Sindh



The Prime Minister of Pakistan, Imran Khan, and other senior officials of the government, including Governor Sindh, Imran Ismail; Minister for Finance, Revenue and Economic Affairs, Asad Umar; Federal Minister for Maritime Affairs, Ali Zaidi; Federal Minister for Water Resources, Faisal Vawda; and Federal Minister for Planning, Development and Reforms, Khusro Bakhtiar; held an interactive session on December 9, 2018 with the Managing Committee members of OICCI at the Governor House Sindh, where the President OICCI, Irfan Wahab Khan, informed the PM that OICCI has always been in the forefront as FDI ambassador of Pakistan and promoted the positive potential of the country to potential foreign investors and diplomats. The OICCI members presented to the PM key challenges in attracting FDI in the country and also gave recommendations for creating a conducive and enabling environment for FDI. The key message given to the PM was the need for predictability and consistency of policy and its implementation. The OICCI members are hopeful that a new Industrial Policy will be announced in early 2019 to give impetus and direction to new investment in the country. The PM was informed that OICCI members can share their expertise in improving Ease of Doing Business (EODB) and building up a positive image of the country overseas by sharing successful strategies which have worked internationally in boosting investment and exports.

The OICCI report 'Recommendations on National Program for Digital Transformation' was also presented to the PM with the message that the recommendations, if properly acted upon, could lead the country into an era of digital and financial inclusion and good governance as well as helping in the positive branding of Pakistan. The OICCI Digital Recommendations include matters related to Telemedicine, E-education, Digital Literacy, Financial Inclusion, E-agriculture, Entrepreneurship, Broadband for All, Digital Government, Cloud Computing, Artificial Intelligence, Cybersecurity and Blockchain.

The PM Imran Khan was appreciative of the contribution of OICCI members and promised full support to foreign investors in addressing their issues and to unveil in the coming weeks a proper economic reform agenda with a clear roadmap for taking country out of the current economic crisis. The PM also assured appropriate actions to address the illicit and counterfeit trade

negatively impacting sales of international brands in Pakistan with consequent revenue losses to the government and also to address the pharma pricing issues in line with the law and court directives. During the meeting, Finance Minister Asad Umar, informed the PM that OICCI is an important contributor to the economy and could help in bringing huge FDI inflow into the country by sharing their success stories on international forums.

Earlier, the President OICCI also met Minister for IT and Telecommunication, Khalid Maqbool Siddiqui, and informed him about the chamber's plans regarding Digital Pakistan Recommendations to seek support of key stakeholders before meeting the PM. The minister promised his full support to the OICCI initiative.

Government Dignitaries at OICCI

Besides the meetings held outside the chamber by the President and the MC Members with the Prime Minister of Pakistan, Minister for Finance, Revenue and Economic Affairs, PM's Advisor on Commerce, Textile, Industries and Investment, Chairman Board of Investment (BOI), Chairman, Securities and Exchange Commission of Pakistan (SECP), and other senior government authorities, there were a number of visits to the chamber, for interactive sessions with members, by important functionaries whose support is essential to ensure success of the OICCI advocacy efforts.

These included the Minister for Finance, Revenue and Economic Affairs, Finance Minister of Punjab, Chairpersons of Sindh Revenue Board (SRB) and Punjab Revenue Authority (PRA), Chairman and Director General, Intellectual Property Organization of Pakistan (IPO-P), Secretary and Director General of Board of Investment (BOI), Members of Competition Commission of Pakistan (CCP), Chairman Pakistan Aeronautical Complex (PAC), Secretary, Home Department, Government of Sindh, Chairperson Sindh Board of Investment, Chairman National Tariff Commission (NTC) and other key bureaucrats visited the chamber to discuss various matters affecting members and impacting the business environment in the country. Some of these interactions are mentioned in this report.

OICCI meetings with the Minister of Finance, Revenue and Economic Affairs



MC members met Minister for Finance, Revenue and Economic Affairs, Asad Umar, on September 11, 2018. The meeting with the minister was interactive and candid. The MC members highlighted their assessment of the main constraints on FDI, and offered support to the government in tackling the challenges which are impeding economic growth potential of the country. They also shared a copy of the tax broadening proposals sent to the Chairman FBR on the same day.



Asad Umar also visited the OICCI on November 10, 2018 for an interactive session with the members; where he shared his views on the current economic situation of the country. He appreciated the contribution of OICCI members whom he termed as true ambassadors of Pakistan who promote the business opportunities in Pakistan at all international forums and have also invested heavily in the country over the years. While sharing the salient points of the government's economic recovery strategy, the Finance Minister mentioned that the government is pursuing an "investment led, export-oriented, growth model" and that all government actions in the short to medium term will be aligned to this strategy. The Finance Minister also gave the OICCI members an overview of the economic reform agenda, which the government will pursue for taking country out of the current economic crisis. Asad Umar agreed with OICCI recommendations that digitization, data analytics and data mining should be leveraged to leapfrog the government's efforts towards good governance and more importantly for broadening the tax base. He stated that the country is out of the immediate balance of payment funding crisis and is working on an economic recovery plan and that the benefit of the revised economic strategy will be visible during the next six to nine months.

Taxation Proposals and Tax related activities

As per past practice, comprehensive taxation proposals were submitted to the federal and provincial revenue authorities for inclusion in the respective budgets for the fiscal year 2018-19. The OICCI taxation proposals were based on input from members, followed by an in-depth professional and analytical review by the Taxation Subcommittee. The comprehensive taxation proposals included recommendations to improve documentation of the economy, broaden the tax base, correction of fiscal anomalies, practical incentives to attract FDI and simplification of taxation related processes. These proposals were widely covered in the media.

The OICCI followed up these proposals by engaging with senior policymakers to ensure that members' recommendations were given due consideration, before the announcement of the federal budget. Several meetings were held in the chamber and at other forums, or communications exchanged, with officials of the federal and provincial governments, including the Chairmen/Members of FBR, PRA and SRB to discuss continuing concerns and new issues in the 2018-19 Federal and Provincial Finance Acts and to discuss the way forward.

The pending tax refunds issues of members, remained a focal issue in all interactions with FBR authorities. As a result of these regular follow-ups by the chamber with the higher authorities in the government, some of our members' outstanding income/sales tax refund claims were settled.

Finance Minister Punjab, Dr. Ayesha Ghaus Pasha, along with PRA Chairman, Dr. Raheel Ahmed Siddiqui, visited the chamber on March 22, 2018 for an interactive discussion with members on OICCI Taxation Proposals submitted to PRA for incorporation in the Punjab Budget for 2018-19. The members took the opportunity of the presence of the Finance Minister Punjab to also discuss some other issues and learn about new business and economic initiatives of the Punjab Government.



Chairman SRB, Khalid Mahmood, and Senior Advisor, Mushtaq Kazimi, visited the chamber on March 22, 2018 for an interactive discussion with members to discuss the OICCI Taxation Proposals submitted to SRB for incorporation in Sindh Budget for 2018-19.



The OICCI hosted 40 Assistant Tax Commissioners and 3 faculty members of 45th Special Training Program of Inland Revenue Service, on November 13, 2018. The Secretary General (SG) OICCI, M. Abdul Aleem, gave the newly inducted tax officers an orientation on OICCI structure, its membership composition, contribution of OICCI members to the economy of Pakistan and OICCI perception of current business environment in the country which offers a very high potential and number of business opportunities.



In order to address the complaints of OICCI and other business chambers, Ministry of Finance (MOF) Punjab/PRA organized a 'Revenue Authorities Harmony Seminar' in Lahore on April 3, 2018 for discussing taxpayers' issues arising due to conflicts and disconnects between different federal and provincial tax regimes. The seminar was attended by the respective Chairmen of FBR and all the Provincial Revenue Authorities. Aman Ghanchi (Unilever), member OICCI Taxation Subcommittee, made a joint OICCI/Pakistan Business Council (PBC) presentation highlighting federal and interprovincial coordination issues as well as a few other key tax concerns for investors. He was supported by Hammad Zafar (Nestle), member OICCI Taxation Subcommittee and Samir Amir of PBC.

The OICCI Secretary General made a presentation titled ‘Tax Policy for overseas investors, non-residents, issues and opportunities for foreign investment in Pakistan’ at a seminar organized by the FBR in Lahore for over 50 senior tax officials on December 4, 2018. Other Speakers were Senior Partner PWC, Shabbar Zaidi; well-known Tax Consultant, Ashfaq Tola; Senior Advocate and Tax Lawyer, Dr. Ikram-ul-Haq; and former Finance Minister of Pakistan, Dr. Salman Shah.

OICCI Managing Committee meets PM’s Advisor on Commerce, Textile, Industries and Investment, Abdul Razak Dawood



The OICCI Managing Committee members met the Prime Minister’s Advisor on Commerce, Textile, Industries and Investment, Abdul Razak Dawood, in Islamabad on September 12, 2018 and discussed with him matters related to economic growth and concerns of OICCI members in Pakistan, along with some recommendations on how these could be addressed. He assured the OICCI team that concerns of foreign investors will be satisfactorily addressed. The OICCI MC members also assured the PM’s Advisor of their full support and cooperation to the government for the economic growth of the country.

Ease of Doing Business

As OICCI has always been at the forefront in stressing the need for appropriate actions to ensure Ease of Doing Business (EODB) for investors and had been extensively advocating for initiatives focused on improving the rank of Pakistan in the World Bank EODB Survey, the MC decided to form a dedicated EODB Subcommittee for giving appropriate recommendations to the authorities to address the serious matter of Pakistan lagging well behind the peer countries in the survey. This subcommittee compiled practical recommendations on five of the ten EODB parameters, namely ‘Paying Taxes’, ‘Trading Across Borders’, ‘Resolving Insolvency’, ‘Getting Electricity’ and ‘Enforcing Contracts’, and made a submission to the BOI for taking up with relevant authorities to simplify procedures and reduce the costs and the time involved in each of the EODB parameters for improving the EODB ranking of Pakistan. The subcommittee shall be taking up the remaining five parameters, namely, ‘Getting Credits’, ‘Registering Property’, ‘Dealing with Construction Permits’, ‘Starting a Business’ and ‘Protecting Minority Interests’ in 2019.

In recognition of the efforts of the OICCI for contributing to an improvement in the EODB ranking of Pakistan from 147 in 2018 to 136 out of 190 economies in 2019, SG OICCI, M. Abdul Aleem, has been included in the nine-member Task Force, recently formed by Chairman BOI for giving recommendations which will be taken up by the BOI with the appropriate authorities.

In addition to the above, the subcommittee has also conducted a detailed survey on the Regulatory Environment in Pakistan. The results indicated that foreign investors face a highly regulated environment in the country.

SG addressed a meeting arranged jointly by BOI/Sindh BOI on April 5, 2018 where the BOI shared the progress made in various aspects of World Bank EODB ranking for Pakistan. The participants included contributors to EODB ranking, representatives of WB and Federation of Pakistan Chamber of Commerce and Industry (FPCCI) and government officials. SG, who was the only representative of the private sector, presented the contribution of OICCI members and gave candid comments on the improvement mentioned by the authorities, emphasizing that the reported improvement in Sindh will only be acceptable if it is experienced in practice by all stakeholders. He stated that addressing the EODB related issues need to be given the highest priority at the senior most government level to attract FDI in the country.

OICCI meeting with the Board of Investment (BOI) and World Bank

Secretary BOI, Jahanzab Khan; and Director General BOI, Saleem Ranjha; visited on August 17, 2018 along with Senior Economist Finance, Competitiveness and Innovation, Amjad Bashir; and Operations Analyst of the World Bank Group, Reshma Aftab; to discuss matters related to EODB. An important 'take-away' from the meeting was that Pakistan could be a good FDI destination if effective reforms were introduced to increase EODB in Pakistan. The OICCI also shared a snapshot of recommendations being compiled by the chamber's EODB Subcommittee for improving Pakistan's ranking in the annual World Bank survey where Pakistan was ranked 147 then.



The President OICCI met Minister of State/Chairman BOI, Haroon Sharif, on November 6, 2018. The meeting was a good beginning to a structural engagement of OICCI and the new leadership at BOI, and a number of points of mutual interest were discussed and subsequently acted upon, including nomination of SG OICCI as member of Task Force on EODB (subcommittee of Business Advisory Council under PM); assistance by OICCI on specific research topics; linking BOI website which is under construction to OICCI web page; sharing OICCI feedback on complexity of dealing with number of regulatory bodies/authorities; and full support of BOI to the OICCI Digital Pakistan Recommendations.

OICCI meetings with Securities and Exchange Commission of Pakistan

The OICCI organized a seminar in collaboration with the Securities and Exchange Commission of Pakistan (SECP) in Lahore on August 17, 2018. The seminar was arranged to discuss the issues in corporate governance faced by the OICCI member companies.

The Chairman SECP, Shaukat Hussain, said that the economic growth of the country is dependent on the inflows of foreign capital from international corporate sector and the SECP is keen to accommodate international companies through liberalization of stringent restrictions. He also said that technology induction in the system has improved the working and efficiencies of the SECP. Around 60 percent of Initial Public Offering (IPO) applications were electronically received.



SECP invited OICCI for a further review of the revised 'Draft Employees Contributory Funds (Investment in Listed Securities) Regulations 2018' on May 9, 2018. Earlier in February, OICCI had arranged a meeting with Chairman SECP of some members who had expressed concerns on the first draft of the regulations. Subsequently these concerns were addressed in an SECP notification.

SECP invited OICCI, along with PBC, FPCCI, Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Work Accountants (ICWA) to a 'Consultations and Feedback Session' on the proposed amendments in the Companies Act 2017 on May 10, 2018. Some key proposals submitted by OICCI in January 2018, relating to Section 208, 452 and 244 of the Companies Act 2017, are included in the proposed amendments to the act.

On the invitation of SECP, an OICCI team participated in the consultative session for review of the drafts on 'Companies (further issue of shares) Regulations, 2018' and 'Companies (Related Party Transaction and Maintenance of Related Records) Regulations, 2018', on August 9, 2018 at SECP office in Karachi.

Competition Commission of Pakistan Session on “Merger Review Process under the Competition Act 2010”



A team of Competition Commission of Pakistan (CCP), comprising of Director (Mergers & Acquisitions), Omar Farooq; DG (Legal & Exemptions), Noman A. Farooqi; and Deputy Director (Mergers & Acquisitions), Usman Ahmed; visited the chamber on September 7, 2018 for an interactive session with OICCI members to explain in detail the “Merger Review Process under the Competition Act 2010”. The aim of the session was to provide better understanding of the legal aspects of merger review process and develop the ability for filing merger applications with the commission.

OICCI meeting with Sindh Board of Investment

Chairperson Sindh Board of Investment (SBI), Naheed Memon, visited the chamber on January 26, 2018 for an interactive session with members. During the meeting, she informed members about the ongoing initiatives in the Special Economic Zones (SEZs) in Sindh, developments of the first three SEZs in the province and the ongoing work for additional two CPEC related SEZs in Sindh. She also explained in detail the work being done on infrastructure, policy incentives, marketing programs and SEZ authority capacity to set up more SEZs in the province.



OICCI Energy Reforms

In continuation to the OICCI Energy Report 2017, the chamber submitted the Energy Reforms recommendations in an actionable format covering the entire portfolio of energy sector including Upstream (Oil & Gas exploration, production and mining), Downstream (refining and distribution) and Power (coal and renewable generation, transmission and distribution), to the Ministers of Petroleum and Power Divisions. The recommendations aim to assist the government in putting the energy sector on a fast track by streamlining and progressively improving the ability/efficiency of the energy sector in line with the best international practices to meet the fast growing energy demand of the country. These key recommendations aim to assist the government with the improvement and implementation of policies in key energy sectors.

Security, Law and Order related activities

The OICCI Security, Law and Order Subcommittee remained active throughout the year with visits by Home Department, Government of Sindh and interactions with LEAs, two security related training sessions for members, security related alerts sent to members and visits to the OICCI by corporate/regional security heads of several member companies who were keen to get the OICCI perspective on the security, law and order environment in Pakistan. The result of the OICCI Security Survey was also shared during these meetings.



Chairman Pakistan Aeronautical Complex (PAC) Kamra, Air Marshal Ahmer Shahzad Legahri, visited the chamber on February 8, 2018 for an interactive session with the OICCI members. The chairman asserted that Pakistan must become technologically relevant, establish a self-reliant industrial base and develop human resource equipped with 21st century skills. He said that this is critical in order to remain competitive in the current world environment, especially to combat the threats posed by some neighbouring countries, whose annual spending on defence budget is several times more than Pakistan.



The OICCI organized a visit of member organizations' Security and Administration Managers, based in Lahore/Islamabad to Punjab Safe City Authority (PSCA) on August 16, 2018 where senior management of PSCA gave them an overview of the organization and new technologies in safety management.



Secretary Home Department, Government of Sindh, Abdul Kabir Kazi, had an interactive session with members on November 15, 2018 at the chamber. He informed about various initiatives of the provincial government and the improved security conditions. He also shared that Sindh Government is actively working to address matters related to foreign/local investors' issues and curbing street crime.

OICCI meetings with Intellectual Property Organization of Pakistan

The OICCI arranged an interactive seminar on Intellectual Property Rights (IPR) Awareness, conducted in collaboration with the Intellectual Property Organization of Pakistan (IPO-P), on March 16, 2018 at the chamber. The main objective of the seminar was to disseminate essential information and awareness to the members of LEAs, who deal with IPR matters, create awareness regarding the importance of IPR and enforcement efforts being done by IPO-P to improve the IPR situation in Pakistan. The session was attended by the Director General IPO-P, Muhammad Irfan Tarar; representatives of LEAs; Deputy Director, Syed Nasrullah; Director (IT) IPO-P, Dr. Rizwan Basharat; Director (Enforcement) IPO-P, Muhammad Ismail; Executive Director IPO-P, Muhammad Naseer; and members of the OICCI IPR Subcommittee. After the meeting, the OICCI team discussed some concerns of the members on IPR with IPO-P.





The new Chairman IPO-P, Mujeeb Ahmed Khan, and his senior team visited the chamber twice this year on July 2, and November 9, 2018, for interactive sessions with OICCI members. During the meetings, he shared with members an update on IPR initiatives of IPO-P and responded to the points raised by members. Partners and team members of Ali & Associates, legal firm specializing in IPR matters, also joined for the meetings. The Chairman IPO-P was optimistic on the outlook of the IPR situation in Pakistan and mentioned several improvements that had been made in the IPO-P, including IPR trainings, establishment of more IP Tribunals and implementation of new HR policies. The OICCI took up a number of members' concerns including overdue meeting of the IPO-P Policy Board; revision of Copyright Ordinance 1962, Patents Ordinance 2000 and Trademarks Ordinance 2001; need to tighten enforcement measure by IPO-P; capacity/quality of staff at IPO-P; and IP Tribunals.

OICCI nomination at Punjab Public Private Dialogue Council

Bruno Olierhoek, who was the President OICCI till June 30, 2018 was nominated as the Chairman of the Intellectual Property Rights (IPR) Working Group of the Punjab Public Private Dialogue Council (PPDC) and held the first meeting of the working group on March 29, 2018 where four deliverables were agreed to be completed within 3 weeks. The President OICCI and MC member, Saquib H. Shirazi, were also nominated as members of the PPDC Taxation Task Force and attended the first meeting of the TF on April 11, 2018 where the president made a presentation of the OICCI taxation proposals with a focus on the Punjab related tax issues.



Chairman, NTC, Abdul Khaliq; Secretary NTC, Ali Muhammad Shah; and Deputy Director NTC, Aamir Shahzad; visited the chamber on April 12, 2018 to brief the OICCI members on the ongoing tariffs related matters and share future strategy of NTC Ordinance. They also responded to questions of OICCI members.



The Investment Climate Reform Unit (ICRU) of the Planning and Development Department of Punjab Government held the first session of its working group to address IPR infringement and enforcement issues in the province. The working group meeting was led by the President OICCI and included MC member Saquib H. Shirazi, who led the working group.



The Trade Development Authority of Pakistan (TDAP) team comprising of Director General, Abdul Karim Memon; Director, Farooque Memon; Deputy Director, Dr. Mohsin Ali; and Assistant Manager, Faisal Awan; visited the chamber on June 28, 2018 to familiarize the OICCI members with the efforts being made by TDAP for a successful participation by Pakistan in EXPO 2020 and the benefits, for companies, of participating in the expo. The TDAP team mentioned that the prime objectives of Pakistan's participation is to project the soft image of Pakistan, promote exports, showcase achievement of the country and highlight CPEC and other activities ongoing in Pakistan.



Director Customs, Aamer Rashid, visited the chamber, along with Deputy Director, Hina Gul, for a meeting with the members of the OICCI IPR Subcommittee, on September 28, 2018. The main objective of their visit was to share different success stories resulting from the collaboration of MNCs and Karachi Customs as well as to request for a closer coordination between Pakistan Customs and OICCI to curb illicit trade.

Chairman Sindh Central Records at Ministry of Culture, Tourism and Antiquities, Kalimullah Lashari; and Director CRR, Dr. Ravinder L. Jha; visited the OICCI on March 9, 2018 to view the OICCI building and old records from the perspective of maintenance of heritage buildings and the records pertaining thereto.

Teaching Fellow at Department of Economics in LUMS, Nazish Afraz, visited the chamber on June 4, 2018 to get OICCI views on foreign investment related matters, as LUMS is in the process of developing an Investment Policy for the Government of Punjab, on request from the Planning and Development Department, Government of Punjab, and funded by the USAID SMEA program.

Minister for Finance, Revenue and Economic Affairs, Dr. Shamshad Akhtar, in the interim government, met the VP OICCI, Shazia Syed, and MC members: Saquib H. Shirazi, Ghiasuddin Khan, Syed Anis Ahmed and M. Abdul Aleem, as well as seven CEOs of member companies on June 14, 2018 at the National Bank Head Office, Karachi. The discussions included exchange of ideas on steps that the interim government can take to boost the economy, maintain foreign investors' confidence and other business related matters with OICCI team giving their views, including delays in tax refunds and remittances.

Activities of the Pharma Bureau

A number of issues faced by the pharma industry were resolved during the year. Following several

months of discussions between the industry and the government, the Drug Pricing Policy (DPP) 2018 was approved and notified by the federal government. Most of the pricing issues faced by the industry were addressed by the DPP with the exception of the negative impact of drastic devaluation of the PKR against the USD. This issue was raised by the Pharma Bureau (PB) in the Supreme Court of Pakistan (SCP) and in November the court ordered that the Policy Board of DRAP to decide, within 15 days, on any revision in prices due to rupee devaluation. This was decided by the policy board and approved by the federal cabinet and notification is expected in early January 2019.

The salient features of the DPP are:

- Definition of 'Biosimilar Biological Drugs' are included to be "Similar Bio-therapeutic Product (SBP) which is similar in terms of quality, safety and efficacy to an already licensed bio-therapeutic product."
- Drugs are now classified as Essential and 'all other', based on the essential medicines list of the World Health Organisation (WHO).
- If the Originator Brand is not available in India or Bangladesh then additional reference countries are provided.
- Lower priced medicines prices were increased by 3.5%.
- CPI has become automatic and only intimation is required to DRAP before annual adjustment of prices to 70% of previous year's CPI with a cap of 7% for essential medicines and all other medicines (including low-priced medicines) up to 100% of CPI with a cap of 10%.
- Previously, there was a cap of 8% for price increase for Hardship Cases which was removed and the new formula is based on the factors for different categories.
- Generics have been encouraged by allowing an MRP increase of 10% to establish Research and Development (R&D) laboratories, submit stability studies and comparative dissolution studies and cGMP compliance for local manufacturers.
- Definition of Hardship Cases revised for clarity i.e. drug for which manufacturer or importer is unable to recover costs, and the profit margin, as per the formula set out in the policy.

- All new hardship applications after issuance of this policy shall be decided within 180 days. If no response is given from DRAP within 180 days, provided a reminder is sent 30 days prior to deadline, the applicant may increase MRP up to a maximum of 10% on the existing approved MRP. Further, if DRAP has referred the matter to the federal government, but not notified within 270 days from the date of submission of the application, then applicant can increase MRP up to the level recommended by the DPC of DRAP. This option can only be exercised once every 3 years.
- Another issue of vital importance was the withdrawal of SRO 1002 by the government that allowed an increase in price after being frozen for a period of twelve years from 2001 to 2013. SCP ordered that the drug prices will not be reversed and will remain as at August 3, 2018. Any subsequent price adjustments will be done according to the DPP. As per global norms, the deadline for the implementation of track and trace system (Barcoding Rules) as an anti-counterfeit measure was extended for six years.

PB, with consultation of all its member companies, sent recommendations to DRAP for the draft Pharmacovigilance Rules 2018.

After the formation of the new federal government, a delegation from the PB, comprising Syed Anis Ahmed, Shahab Rizvi, Anis A. Shah and Ayesha Tammy Haq, met with the new Minister and Secretary of Ministry of National Health Service, Regulations and Coordination (MoNHSRC), Amir Mahmood Kiyani, and discussed with him the potential of the pharma industry in Pakistan and the role it can play, particularly in job creation and promoting exports. Issues faced by the industry were also highlighted.

The SOP for the allocation of quotas for controlled substances are still in the review process. There have been several meetings with both the secretary and the minister. The industry has put forward its

concerns and the minister has assured that they would be addressed.

The PB has engaged a consultant, Farieha Aziz, to write a paper for the PB on policy reform and opportunities in the health sector in Pakistan. This is a 3-month project and the report is expected in February 2019.

IBA has been contacted to arrange media training sessions to train business reporters to help them understand complex business related issues especially of the pharmaceutical industry.

Awareness seminars will be arranged that will include patient anecdotes of improvement in their lives brought by the efforts of the MNC pharmaceutical companies. Social media will also be used to counteract negative media campaigns against the pharmaceutical industry.

PB has been discussing Barcoding Rules with DRAP for at least two years prior to the notification of SRO 470(I) 2017 and has throughout stressed our support for the implementation of a bar code regime in Pakistan and to that effect has engaged extensively with DRAP. CEO DRAP and his team have been apprised of the implementation status of PB member companies regarding barcoding (SRO 470). By the end of 2018, most of the PB member companies will have full implementation of the SRO 470 as far as secondary packaging is concerned. AI-240 will not be implemented by any PB member company and justifications for the same have been submitted to DRAP.

After consultations with its member companies, PB sent all the recommended changes to the Barcoding Rules to DRAP. The main issue highlighted by the PB is that without a proper tracking system, barcoding is meaningless. In the light of this legitimate ground, the matter is now deferred for six years. The case with the CCP lay dormant in 2018 and is expected to be closed in early 2019.

INVESTMENT PROMOTION

The chamber remains a 'port of first call' for potential new foreign investors/foreign business delegations, ambassadors/various diplomats and government officials of countries visiting Pakistan to explore investment opportunities for the entrepreneurs of their respective countries, to get an insight of the perspective of existing major foreign investors about the business environment in Pakistan. The chamber ensures that transparent and balanced views are shared with all visitors based on the results of the regular researches and surveys conducted by the chamber on various aspects of the business operating environment in the country.

2018 was another busy year for the chamber having around 40 interactions with several foreign trade and business delegations, representatives of World Bank, Sovereign and Supranational Group of Fitch (Hong Kong) Limited, French Business Council, ambassadors from US, Finland, Japan, the High Commissioners/Consul Generals of UK, Australia, Finland, US, Italy, Germany and other senior foreign diplomats from the Netherlands, US and Japan. The primary aim of these visitors was to get the chamber's perspective on the business environment and learn about the experiences of foreign investors in Pakistan, as well as incentives for foreign investors. Visitors were keen to get insight of the CPEC projects and related investment opportunities. During these regular interactions, OICCI presented a factual position on the investment and business environment in Pakistan highlighting fiscal, tax, legal and other incentives available to foreign investors, as well as updates on the security climate, so as to help potential investors make long-term investment decision on Pakistan. The OICCI also shared the members' perception regarding the new government and their economic policies. Visits by various diplomats and trade delegations to learn about the OICCI members' perspective of the current business environment in Pakistan in 2018 are mentioned below.



March 21, 2018: British High Commissioner in Pakistan, Thomas Drew, accompanied by Deputy High Commissioner, Elin Burns.



April 20, 2018: First Secretary of Economic Affairs of the Embassy of the Netherlands, Winnie van der Wal, accompanied by Trade Officer at the Karachi Consulate, Hammad Raza.



May 14, 2018: Head of Middle East, Commercial Counsellor, Finland, Jukka Hahlantera, accompanied by Honorary Consul General of Finland in Karachi, Sadia Khan.



July 31, 2018: US Consul General Karachi, JoAnne Wagner, who recently took over, visited the chamber accompanied by senior officials of the US Consulate General in Karachi. MC members, Syed Anis Ahmed and M. Abdul Aleem, gave an overview of the business climate in Pakistan, including business potential of Pakistan, factors impeding FDI inflow, IMF support for Pakistan and American Travel advisories.



August 29, 2018: Economic Counsellor at the Embassy of the US, Michael A. Sullivan, who recently took over, accompanied by senior officials of the US Consulate General in Karachi.



November 13, 2018: Ambassador of Finland, Harri Kamarainen, accompanied by the Honorary Consul General in Karachi, Sadia Khan, visited the OICCI. The ambassador gave an overview of the many potential trade and business opportunities that could be developed between Finland and Pakistan, especially in view of the high number of business innovations done in Finland, including energy saving projects, environment technology and in telecom sector which could benefit Pakistan.



February 8, 2018: A World Bank team held an interactive session with member companies' import clearance specialists on the subject of Business Process Mapping of the existing customs clearance procedures.



February 12, 2018: Deputy Economic Unit Chief for Pakistan based in US State Department, Courtney Dunn, along with Economic Officer US Consulate Karachi, Mark Pituch, visited the chamber to learn about OICCI views on a number of matters, including GDP growth projections, exchange rate, etc.



November 29, 2018: The Head of Asia Pacific Sovereign team, Stephen Schwartz; and Associate Director, Sovereign and Supranational Group of Fitch (Hong Kong) Limited, Jeremy Zook; visited the OICCI to get the OICCI perspective on the economy, reported delays in processing of non-import remittances by SBP, views on new government's performance so far, and other matters of interest for investor clients of Fitch Ratings Agency.



September 27, 2018: A US Department of Treasury team, comprising of Acting Assistant Secretary for International Finance and Development, Geoffrey Okamoto; Deputy Assistant Secretary for East Asia, Robert Kaproth; Economic Officers, Michelle Crockett, Victor Tineo, Gregory Meier; and Economic Specialist, Mahreen Kashif.



September 25, 2018: A French Business Council delegation, comprising of 15 French companies visited the OICCI. The objective of the meeting was to learn about the role of OICCI and the main sectors to invest in Pakistan. Some of the delegation members came to Pakistan for the first time and expressed an interest in getting a good insight of the Pakistani business environment, which was given by Kimihide Ando, and M. Abdul Aleem. Senior representatives from French companies gave their views on business operations in Pakistan.



March 2, 2018: Consul General of Italy, Anna Ruffino, visited the chamber to learn about OICCI views on a number of business related matters.



March 27, 2018: Economic Counsellor at Embassy of the US, Chip Laitinen; and Senior Commercial Officer at US Consulate General Karachi, Stephen P. Knode.

Other engagements of the OICCI with diplomats included:

- March 7, 2018: OICCI was invited by the British Deputy High Commissioner to meet Regional Manager, Gareth Elks, based in Abu Dhabi, for issuance of British visas to visitors from Pakistan.
- Consular Section Chief, Chris Green; and Chief Non-Immigrant Visa Unit at Consulate General of the US Karachi, Jerry Kalarickal; visited the chamber for a talk on facilitating US visas, including a Q&A session on the subject.
- April 25, 2018: SG attended a meeting with officials of Ministry of Foreign Affairs of Japan.
- April 27, 2018: The Ambassador of Japan, Takashi Kurai, hosted a dinner to celebrate the conferment of "Sitar-e-Pakistan" upon Kimihide Ando, which was also attended by MC Members, Irfan Wahab Khan and Sarim Sheikh.
- May 24, 2018: Economic Advisor at Consulate General of Japan, Yoko Watanabe, met with SG to discuss OICCI views on the Federal Budget 2018-19.
- July 6, 2018: Acting Consul General of Germany, Ortwin Hennig, visited the OICCI for a courtesy call and to get an overview of the Pakistan business environment. He was accompanied by MC Member, Helmut von Struve.
- October 4, 2018: Economic Counsellor of the Australian High Commission in Pakistan, Michael Cheyne, visited the chamber to get the OICCI perspective of the Pakistan Business Climate.

- February 2, 2018: Senior Treasury Official, Larita Bolden, based in Islamabad; Political/Economic Section Chief, John G. Robinson; and Beney Lee, visited the chamber to learn about OICCI perspective of the Pakistan Business Climate.
- September 26, 2018: Economist of World Bank Group, Anna Custers, based in Washington, had an exclusive meeting with OICCI to understand the chamber's perspective on customs performance and how the World Bank Group can contribute to the improvement in customs procedures.

In order to improve the perception of Pakistan in the international business community, the chamber played a role of facilitator in promoting and marketing Pakistan by sharing success stories and good practices of member companies, doing well in the country by speaking on various investment forums and conferences.

During the year, number of foreign officials from the global and regional offices of member companies also visited OICCI to get an insight on various aspects of doing business in Pakistan including the business and security related climate, economic conditions, investment and growth prospects. Some of these visits are listed below.



November 1, 2018: OICCI MC Member, Kimihide Ando, accompanied Governor of Osaka Prefecture of Japan, Ichiro Matsui, when he paid courtesy calls to the PM's Advisor, Abdul Razak Dawood, and Foreign Minister, Makhdoom Shah Mahmood Qureshi.

The Governor of Osaka congratulated both the officials on their respective appointments and expressed his desire to further strengthen economic cooperation between Pakistan and Japan. Ichiro Matsui also requested Pakistan to support Japan's bid to host World Expo 2025.

September 11, 2018: Ambassadors/High Commissioners and other senior diplomats from the 35 countries represented by OICCI members, had an Interactive session with the OICCI Managing Committee in Islamabad to exchange views on current business environment in Pakistan.



April 6, 2018: Canadian Pakistan Business Council (CPBF) and OICCI signed an MOU on nine areas of collaboration, which include promotion of mutual understanding, scholarly collaboration and friendship by support to identify and explore business opportunities between Pakistan and Canada, including joint ventures, strategic alliances and technology transfers.

- November 1, 2018: Metal One Corporation Asada – Chief Regional Officer, Saiki; Chief Regional Officer (Asia and Pacific Region), Hayashi; Managing Director Malaysia Office, Nishi; and GM (Global Trade Department) Japan; accompanied by Mitsubishi Corporation

Pakistan officials, GM Islamabad Office, Kenichiro Hirai; GM Lahore Office, Mahir Abbas; and DGM Karachi Office, Afroz Ladha; visited the OICCI. The team members informed that Metal One is very impressed on ‘growing Pakistan’ and would like to invest in the country.

Visits by Company Representatives



April 2, 2018: Country President Russia & CIS/Regional Director of Property and Casualty, Eurasia and Africa, Chubb Insurance Company, Nikolai Dimitriev, visited the chamber to get the OICCI perspective on the Pakistan business environment. He was accompanied by the Chubb Insurance Pakistan senior management.

May 22, 2018: Regional Head for IMEA Government Relations and Global Leader for Trade Policy – P&G, Ramy Zaki, along with AP GR, Turki Bin Moammar, met with SG to get an OICCI perspective on how to strengthen relationships with the government and regulatory bodies.



October 1, 2018: EVP Mitsubishi Corp. CEO, LEG Group, Yutaka Kyoya, accompanied by Kimihide Ando and other Mitsubishi team members, visited the chamber to get the OICCI perspective of the opportunities and challenges for business in Pakistan after the recent change of government.



October 19, 2018: Investment Manager – Aberdeen Standard Asset Management, Leong Lin Jin; Senior Portfolio Manager DanskeBank Asset Management, Sorin Pirau; Portfolio Manager – Harvest Global Asset Management, Eddie Chia; and Portfolio Manager – AXA Investment Management, Christy Lee; visited the chamber to get the OICCI perspective on investment opportunities in Pakistan for Fund Managers. They were accompanied by Managing Director, Head of Financial Services SC Bank Pakistan, Adil Salahuddin; and Senior Economist, MENA, SC Bank, Bilal Khan.

October 18, 2018: Board Member/Legal Representative for a number of Novartis Group Companies, and Chairman Novartis Pakistan, Christopher Snook, accompanied by Shahab Rizvi, visited the chamber to get the OICCI perspective of the current business environment in Pakistan, especially with respect to the pharmaceutical sector.



May 4, 2018: General Manager – Corporate Center, Asia & Oceania HQ, Mitsubishi Corporation, Jun Fujino, visited the chamber on along with MC member, Kimihide Ando, to discuss matters related to opportunities and challenges for business in Pakistan.

October 2, 2018: Global Head of Security, Craig Foster, accompanied by Regional Security Head of SC Bank, Amjad Bhatti, joined in the chamber's Security Subcommittee meeting, on the request of SC Bank Pakistan. The visitors were interested in getting the OICCI members' perspective of the Pakistan security environment. A presentation of "SCB's Safety & Security Program" was shared by Craig Foster.



- April 11, 2018: Bruno Olierhoek (OICCI President till June 30, 2018) gave a presentation covering the OICCI perspective of the Pakistan business environment to visiting Sanofi SA, Head of EME region, David, who was accompanied by Sanofi Pakistan Chairman/leading businessman, Syed Babar Ali and CEO Dr, Asim Jamal, when they called on him in his Nestle office in Lahore.
- May 16, 2018: Chief Operations Officer, Wolf Kunisch; and Deputy CEO, Equens Worldwide; accompanied by their Pakistan partners, Chairman Nawid Ahsan; and CEO of Mobi Direct (Pvt.) Ltd, Aarij Ali; visited the OICCI to inform about the introduction of latest mobile technology which they propose to introduce in Pakistan for a fully documented electronic payment system, based on already running concepts in Europe, USA and other advanced economies, and to learn about chamber's perspective of the country's business climate and views on the proposed mobile technology.
- July 3, 2018: Senior Executives of the Japanese company, Nagase & Co. Ltd, visited

the OICCI to get an overview of the Pakistan business environment and to seek OICCI guidance on potential partners in Pakistan for their proposal to establish their company, which deals in automotive parts and several other sectors, in Pakistan.

- October 4, 2018: MC Member, Kimihide Ando, had a meeting with Sindh Governor to inform him about Mitsubishi work in Pakistan. During the meeting, he also shared the role of OICCI and invited him to visit the chamber for a more detailed interaction with the members.

The chamber's activities also included liaising with trade bodies and diplomatic missions, certification of export documents and issuance of inward and outward visa recommendation letters for business purposes. About 7,000 executives were issued recommendation letters for speedy visa process and 15,500 export certifications of origin were facilitated by the chamber during the year.

PROFILE BUILDING AND NETWORKING

The primary function of the chamber is to promote FDI and the growth of commerce and industry in Pakistan. In order to facilitate this very important role, the OICCI continues to cultivate and broaden its network of associates, maintain a regular engagement with them through meetings, hosting of events and participation in various forums to share information about best practices and success stories of foreign investors operating in Pakistan, as well as other matters.

Conferences/Seminars in Collaboration



The President OICCI, Bruno Olierhoek, (until June 30, 2018) was a keynote speaker at the conference "Disrupting the Future" organized by Nutshell and cosponsored by OICCI, on March 14, 2018, where he lauded the business potential of Pakistan and made some specific suggestions on how this potential could be realized. The OICCI also collaborated with Nutshell for a Business Summit in Islamabad on April 6, 2018. The event provided a platform for leading business figures from within the country and abroad to present their ideas on effective business strategies.

SG OICCI, M. Abdul Aleem, gave a presentation 'Destination Pakistan' at the ICAP-ICMA organized conference titled "Financial Reforms for Economic Development Asia (FRED Asia)", attended by Federal Minister for Law and Justice, Dr. Mohammad Farogh Naseem; Country Director World Bank, James Brumby; and many other distinguished foreign and Pakistani dignitaries, on September 24, 2018, where he highlighted the business potential and opportunities in Pakistan for international investors. He also shared the good performance of MNCs who are already operating in Pakistan and made some recommendations which need to be taken up by the authorities to boost foreign investment. The FRED Forum is a joint initiative of the World Bank and Confederation of Asian and Pacific Accountants, with support/endorsement of International Federation of Accountants.



Bruno Olierhoek gave a keynote speech at the ACCA PLC Event titled "Pakistan Leadership Conversation: Collective Vision for an emerging Pakistan" on March 27, 2018. He gave an overview of the chamber's profile, activities and views on the current business environment.

Various Interactive Sessions

MC Members, Kimihide Ando, Ghiasuddin Khan and Helmut Von Struve, participated in the 'Pakistan Summit' organized by Corporate Pakistan Group on May 7, 2018. Kimihide Ando was the moderator in the panel discussion on "Branding Pakistan" and the panellists included, besides MC member, Helmut Von Struve; High Commissioners of UK and Australia, Ambassador of Denmark, Country Director of the World Bank and Country Director of Asian Development Bank.

Second Edition of 'The Future Summit' was held on November 13-14, 2018 in Karachi. The event was cosponsored by OICCI. Distinguished speakers/panellists included President OICCI, Irfan Wahab Khan, and MC Members, Kimihide Ando, Sarim Sheikh and Helmut Von Struve. Around 700 delegates attended the summit.

The MC Member and CEO Mitsubishi Corporation Pakistan, Kimihide Ando, and the Past President OICCI and CEO ICI Pakistan, Asif Jooma, inspired the audience with their words of wisdom and years of

valuable experience as chief guests at two sessions of the 'Leaders at LUMS' program at the Lahore University of Management Sciences (LUMS) and gave their views on a number of business related matters.

SG attended a seminar of ICAP and PBC titled "Documenting the Economy – Closing the Loopholes, Section 111 (4) & FCY Accounts" on March 5, 2018 in Karachi.

Bruno Olierhoek (who was President OICCI till June 30, 2018) and MC Members, Kimihide Ando and Helmut Von Struve, participated in the 'FOW 18 – Future of Work Summit' conference organized by Nutshell on May 2, 2018 in Lahore. While the president gave a keynote speech on "Leadership in the Age of Disruption", the two MC members were part of the panel discussion on "Diversity & Inclusion."

Bruno Olierhoek was invited to join the Punjab Public Private Dialogue Council and attended the first meeting on March 7, 2018.

Bruno Olierhoek and VP OICCI, Shazia Syed, participated in a panel discussion on a business case for Gender Diversity at the World Bank conference on March 19, 2018, where they shared the efforts being made by OICCI for Gender Balance.

MC Members, Shazad G. Dada, Tayyab Tareen and Sima Kamil, participated in the panel discussions on 'Economy', 'Energy' and 'Entrepreneurship' in the Dawn Media group-Ministry of Planning conference on April 23-24, 2018.

Bruno Olierhoek was a keynote speaker in the Geo TV-BOI International Investment Conference on May 7, 2018. MC Members, Kimihide Ando and Shazia Syed, were also part of the panel discussions on "Additional Investment in Existing & New Industries" and "Consumer Market and Pakistan Middle Class Potential" respectively.

SG OICCI, M. Abdul Aleem, attended a seminar by the Prime Research Institute on "Cities as Drivers of Growth" on May 16, 2018.

Media Coverage

The activities of the OICCI were extensively covered in all leading newspapers and news channels throughout the year and a total of 271 OICCI appearances were noted in the print and electronic media which was 17% higher than that in the previous year.

The President, Secretary General and all MC members are proactively portraying the potential for foreign investment in Pakistan and, in this respect, have given various interviews in international as well as national media groups and channels. Some of these interactions are mentioned below:

Senior media dignitaries representing 20 plus media houses on October 18, 2018, were invited to an luncheon in the chamber, where President OICCI, Irfan Wahab Khan, and SG, M. Abdul Aleem, gave an overview of the OICCI role in promoting FDI and

shared the chamber's view of the recent economic developments affecting FDI and the overall business environment.

Bruno Olierhoek (President OICCI till June 30, 2018) was interviewed by senior Dawn journalist, Nasir Jamal, on March 6, 2018 during which, he put across the key OICCI view points and recommendations. He also gave him, for reference, OICCI Annual Report 2017, OICCI Investment & Perception Survey 2017, OICCI CSR Report 2016-17, Business Confidence Index Survey trend-line till November 2017, Energy Report 2017, and OICCI Taxation Proposals for 2018-19 submitted to FBR.

MC Members, Helmut Von Struve and M. Abdul Aleem, attended an interactive session with five-member media team from China on August 1, 2018 to discuss the business climate in Pakistan. The visit was arranged by the Pakistan government for a first-hand view of existing ground realities for foreign investors operating in Pakistan.



President OICCI, Irfan Wahab Khan, and MC Members, Kimihide Ando, Helmut Von Struve, Sarim Sheikh and M. Abdul Aleem, had an interaction with senior media persons on September 12, 2018 in Islamabad, highlighting key economic contributions of OICCI members. They also shared an overview of recent surveys done by the chamber, including OICCI members' investment in Pakistan, Security Survey and foreign investors' perspective of the country's business/economic potential and climate.

SG OICCI, M. Abdul Aleem, was invited to meet a US media delegation on March 9, 2018. The delegation was comprised of Carlos Munoz (The Washington Times), Bennet Seftel (The Cipher Brief), Kay Johnson (Reuters) and Kristina Wong (ABC News, Washington DC). The objective of the meeting was to discuss the matters of mutual interest regarding economic situation of Pakistan.



CEO Lunches

Total six luncheon meetings with CEOs of member companies were hosted by the President OICCI; two each in Karachi, Lahore and Islamabad during 2018.



The fifth OICCI Members' CEO lunch of the 2018 term, was held on September 11, 2018 at the Telenor office in Islamabad. The President OICCI, Irfan Wahab Khan, shared with participants an overview of the various recent activities of the chamber and also responded to some queries of the members.

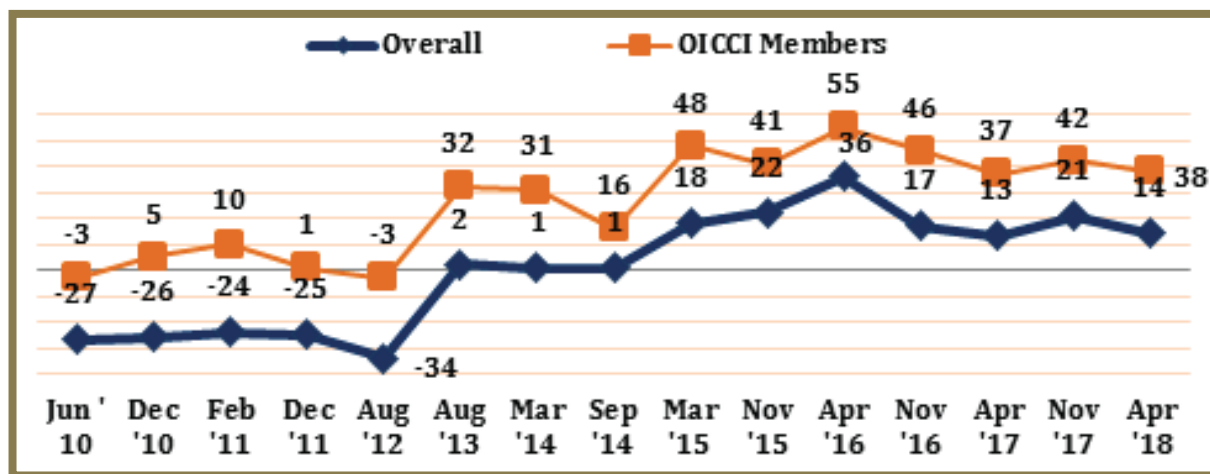
The OICCI serves as a resource pool for its members as well as other key stakeholders and disseminates information of interest to its members. The OICCI publications assist members to stay abreast with new developments regarding business and investment.

OICCI Surveys and Reports

The chamber remains focused on conducting research which assists existing and potential investors, as well as other stakeholders to plan their activities. The researches, surveys and publications released in 2018 included:

- OICCI Business Confidence Index (Wave 16)
- Corporate Social Responsibility Report 2017-18
- OICCI Security Survey 2018
- OICCI Recommendations on National Program for Digital Transformation 2018
- Consumer Price Index

Business Confidence Index Survey



Business Confidence Index (BCI) is a survey conducted every six months since 2010, through field interviews across the country. BCI is a continuous measurement of business community's sentiments and is an effective way to gauge perception of key stakeholders' current state of business climate and short term future outlook of the economy. The survey is based on feedback from representatives of all business segments in Pakistan, including retailers, wholesalers, manufacturers and the service industry, covering roughly 80 percent of the Pakistan GDP excluding the agriculture sector. The result of BCI Wave 16 was released in April 2018, the overall business confidence in Pakistan stands at 14 percent positive, a significant decline from 21 percent positive recorded in Wave 15 results announced in November 2017. The survey results were largely influenced by the pessimism in the retail and wholesale trade sector which recorded a sharp decline in business confidence to positive 6 percent

compared to positive 40 percent in Wave 15. The confidence of the manufacturing sector was stable at 15 percent positive, while the services sector was bullish at 23 percent positive vs. 15 percent in the previous survey.

Based on respondents' feedback, the major factors causing the decline in business confidence was a combination of significantly reduced perceptions of Global, Country and Industry business situations during the past six months and also in the next six months, as well as decreased level of anticipated capital investment, profitability and return on investment over the next six months. Growing concern on governance and government policies, inflation and security conditions together with pessimism about the future due to upcoming election related political uncertainty and developing energy crises were stated as the leading reasons for the decline of the business confidence.

The sentiments of the leading foreign investors, represented by the OICCI members, who were part of the survey, also recorded a decrease, albeit by 4 percent only, to go down to 38 percent from 42 percent in Wave 15 results. However, it may be again noted, the OICCI members continue to maintain significantly more positive sentiments than the remaining respondents, which is a positive sign for future FDI inflow.

The OICCI members are confident that with genuine public private partnership and proactive and timely critical interventions by the provincial and federal authorities on all issues restraining the economic growth including on matters of taxation, mounting tax refunds and circular debt, and harmonization of policies across different federal and provincial jurisdictions supported by visible improvement in good governance and a policy framework which is progressive, transparent, consistent and predictable, Pakistan can achieve much higher economic growth and prosperity which it deserves. This bi-annual survey evaluates business sentiment, but only one wave was conducted during 2018, keeping in view the settling time of the new government. Summary of the BCI survey was shared with members, senior government officials, diplomats and various other stakeholders.

OICCI Corporate Social Responsibility Report 2017-2018

The OICCI Corporate Social Responsibility Report 2017-2018 was launched in October 2018 and the CSR Report features the contributions of 79 member companies, working across the country, in a number of social sectors including women empowerment/gender

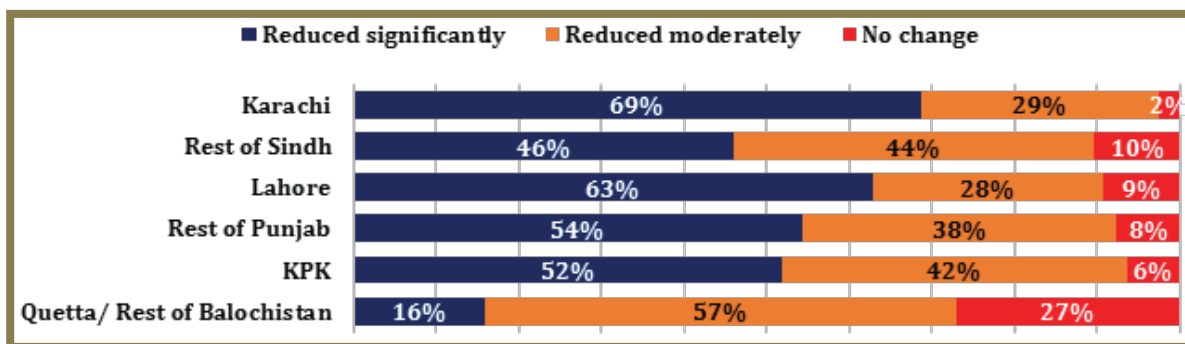
equality, human capital development, health and nutrition, infrastructure development and many more areas.

During 2017-18, the OICCI members, collectively, have invested over PKR 6 billion and reached out to over 60 million direct beneficiaries throughout Pakistan. The contribution of PKR 6 billion, does not include the Novartis Pharma (Pakistan) Limited major CSR contribution in coordination with its major shareholders, whereby an investment USD 140 million (PKR 15 billion) has been made under the Novartis Access Program to provide medicines to treat important non-communicable diseases (NCDs) in low to lower middle income groups in Pakistan. Moreover, 160 social and development sector organizations were also engaged in some of the key social development initiatives of member companies. As in the past, the CSR activities were spread all over the country with 35% of the CSR activities focused in Sindh, 28% in Punjab, 12% in Khyber Pakhtunkhwa, 10% in Baluchistan, and another 15% in FATA, Gilgit-Baltistan and Azad Kashmir.

Around 87% of the members were involved in human capital development initiatives. Many of our members have funded new school facilities and made contributions towards vocational training programs for skills development of the youth. Health and Nutrition related initiatives were supported by 85% of the members through donations to reputable hospitals, medical/blood/eye care camps and health awareness campaigns. Infrastructure Development was also one of the areas of interest and 61% of the members assisted in development of infrastructure in the vicinity of their respective major operating facilities.

OICCI Security Survey 2018

The OICCI members' positive perception of the country's security environment was further consolidated in the results of the fourth survey on security related matters conducted by the chamber in June 2018. The annual survey is done to gauge foreign investors' perception on the current countrywide security environment especially since 2013 after the launch of operations in the FATA region, Karachi and some other parts of the country and also in comparison to the previous year's survey so that existing and potential investors, as well as other stakeholders are kept aware of the collective views on security related matters of the largest bloc of foreign investors operating in Pakistan.



The results of this fourth survey are a further affirmation of the earlier surveys with respondents expressing their views about the comprehensive improvement in security, law and order situation across the country, particularly in Karachi. The latest survey, once again, highlights an apparent contradiction in foreign investors' perception of the security environment in the country: despite an overwhelming acceptance that there has been a significant improvement in the security environment, it continues to be identified as one of the top challenges facing foreign investors in Pakistan by 61% of the respondents.

Most importantly, the survey reconfirmed that comfort level of employees of member companies continues to go up and they now feel even more comfortable, even in comparison to 2017, in their everyday commute to/from the workplace. Another important indicator of improved security was the

response that over 96% of Board of Directors/Management meetings were held in Pakistan. The results of the latest survey are a big thumbs up by the foreign investors for the various initiatives of the government in tackling the serious security, law and order situation which had arisen in recent years. One important reason for foreign investors identifying security as a key issue could be due to the fact that the security concerns have added substantially to the cost of doing business with a number of organizations beefing up their security infrastructure and also spending more on security related trainings and education of staff. The authorities need to focus on changing this mind set by not only maintaining but visibly increasing the pressure and scaling up the intensity of these actions, especially in respect of street crimes, to ensure that security challenges are not included in the 'Pain Points' of foreign investors.

Security Trainings and Awareness Sessions



An OICCI Security awareness session was conducted in Karachi on April 11, 2018 at the chamber on “Security Dynamics in Regional Context & Security Apprehensions” by Brig. (Retd.) M. Farooq Shaukat and Brig. (Retd.) Syed Wajid Raza Kazmi, members of the OICCI Security, Law and Order Subcommittee. The session was well-attended by the corporate security and administration managers of the OICCI member companies. An overview of the regional security environment and their impact on corporate sector and the security apprehensions were discussed.

Brig. (Retd.) Syed Wajid Raza Kazmi also held the second security awareness session on “Review of National Internal Security Policy” for the north-based members on August 16, 2018 at ABB Power & Automation (Pvt.) Ltd. Head Office in Lahore. The session was followed by a visit to Punjab Safe City Authority (PSCA), an organization of urban security which is linked to responding agencies, Police/Emergency services etc. The participants greatly appreciated both sessions in their feedback to the OICCI.



OICCI Recommendations on National Program for Digital Transformation 2018

The OICCI unveiled the “OICCI Recommendations on National Program for Digital Transformation” report at a media launch with senior journalists in Islamabad on December 20, 2018. The OICCI member companies have shared their international experience and expertise in presenting a concise analysis of the current digital landscape and recommended forward looking specific action plan to fast track Pakistan to a respectable level of digital transformation. The report was earlier presented to the Prime Minister, Imran Khan, and some senior federal ministers during a meeting on December 9, 2018.

The OICCI Digital Recommendations have the potential to significantly uplift the socioeconomic well-being of the citizens and generate more than 5 million direct and indirect job opportunities in the country, while at the same time increasing our GDP by USD 40-50 billion annually by 2025.

The recommendations in the report cover 12 different areas:

1. Implement telemedicine in public sector health units
2. Introduce distance learning (E-education) to public sector educational institutes
3. Impart digital skills to the workforce
4. Improve financial inclusion for people at the bottom of the pyramid
5. Digitalize agriculture sector
6. Enable digital entrepreneurship
7. Extend the reach of broadband services
8. Transform public services through “digital government”
9. Deploy public cloud and introduce open data
10. Adopt Artificial Intelligence (AI) for sustainable development
11. Implement a comprehensive national cybersecurity policy by adopting a risk-based approach
12. Establish a national center for development of blockchain technologies

OICCI Awareness Seminars on Intellectual Property Rights

The OICCI firmly believes that business leaders of tomorrow, the post graduate students of leading universities need to be made cognizant about the fact that IPR regime is one of the most sensitive and critical aspects of doing business and that IPR should be included in the curriculum of business studies. Over the last few years, OICCI has taken an

initiative on this matter by conducting regular training/awareness seminars in various business universities and colleges of the country. In 2018, OICCI conducted four such seminars in the top business schools of the country. During these highly engaging sessions, various aspects of Trademarks transgressions, Copyrights violation, Trade Secrets, Patent infringements, Geographical Indications and the respective IPR laws/policies were discussed at length.

The OICCI IPR Awareness Seminar, titled, “Intellectual Property Rights (IPR) – Protecting what is yours” was held at IBA, Karachi on November 22, 2018 by Shaharyar Nashat (HUBCO Pakistan), Member of the OICCI IPR Subcommittee.



IPR Session titled “Intellectual Property Rights (IPR) – Protecting what is yours” at LUMS on October 9, 2018 facilitated by Shaharyar Nashat (HUBCO Pakistan), Member of the OICCI IPR Subcommittee.



IPR Session on “Intellectual Property Rights (IPR) Protection” at Shaheed Zulfikar Ali Bhutto Institute of Science and Technology (SZABIST) on October 30, 2018 conducted by Shahid Qureshi (OBS Pakistan), Member of the OICCI IPR Subcommittee.



IPR Session on “Fostering Creativity & Innovation through Effective Protection of IPR” at Karachi School of Business and Leadership (KSBL) on October 5, 2018, conducted by Amar Naseer, an experienced advocate and solicitor in Karachi, currently managing his law firm and serving as the Head of Editorial Board, PLEDGE, in Anti-Counterfeit and Infringement Forum (ACIF).

Training workshop for Karachi-based journalists at CEJ-IBA



The OICCI organized a one-day training workshop for Karachi-based journalists with the Centre for Excellence in Journalism (CEJ) at IBA City Campus, Karachi on September 26, 2018. The workshop was titled “Data and its significance in Business Reporting” and the purpose was to build capacity of the journalists in business reporting, ethical journalism, how to utilize sources and reading financial documents and their interpretation.

A total of 19 journalists from Karachi attended the workshop. The main trainer for the workshop was Khurram Husain, Business Editor and Columnist for Dawn newspaper. Some guest speakers were also invited to share their expertise in business sectors that included SG OICCI, M. Abdul Aleem; Chief Investment Officer at MCB-Arif Habib, M. Asim; and a CEJ Lecturer, Shahzeb Ahmed.

Consumer Price Index 2018

The chamber once again conducted the traditional OICCI Consumer Price Index Survey (CPI), which is very much appreciated by the members. This independent survey of the inflation trends during the year is very useful for member companies’ budgeting, including related salary actions. CPI survey is carried out through an in-depth feedback of expenditure consumption patterns of 150 households, belonging to employees of multinational companies only and changes in prices of key expenditure categories during the past twelve months based on market surveys in Karachi. The CPI survey conducted annually is done by a leading research agency specialized in this field. The CPI survey results are provided free of cost for the OICCI members’ use only.

OICCI Daily Political and Economic Update

OICCI has been circulating a comprehensive round-up from all major English newspapers in a daily update, since 2010, which covers matters related to economy, business, energy, as well as interesting news and editorial items relating to political and economic affairs and PKR rate versus various major currencies. This daily report reaches out to around 500 recipients, and is greatly appreciated with regular feedback on the usefulness of these daily updates and requests for adding new recipients.

OICCI WOMEN: EMPOWERING FOR A BRIGHTER TOMORROW



Heroes Leadership Lounge

The OICCI arranged an event in Marriott Hotel Karachi on March 8, 2018 as part of its celebrations for International Women’s Day and launched the ‘Heroes Leadership Lounge’ that aims to provide mentoring to women in Pakistan’s workforce.



The ‘Heroes Leadership Lounge’ is a mentoring platform that provides online resources and active counselling for women as a means of empowering them in the work environment. The lounge enables women to engage directly with business leaders in Pakistan as well as take ownership of their personal capacity building. The platform is a continuation of the commitment made by OICCI in November 2017 under the ‘OICCI Women: Empowering for a Brighter Tomorrow’ initiative to help its members focus on establishing a conducive environment for gender equality and empowerment so as to develop women for high level corporate leadership.

CEO Forum

Under the ‘OICCI Women: Empowering for a Brighter Tomorrow’ initiative, the chamber also launched a CEO Forum on July 5, 2018 where CEOs and HR heads of selected companies were invited to share their best practices and policies that help gender inclusiveness and diversity at the workplace. The suggestions coming out from the forum will be included in a whitepaper that will be presented to the government at a later stage with an aim to advocate the government and business sector across Pakistan to advance the business case for women empowerment and gender equality at the workplaces.

OICCI team involved in the ‘OICCI Women: Empowering for a Brighter Tomorrow’ initiative, have identified problems, which create hurdles for women at workplaces, and divided them into six thematic areas: Slow Career Growth, Workplace Harassment, Inclusive Workspaces, Impact of Dual Careers, Equal Opportunity for Pakistani Women and Female Health in Work-Life Balance.



OICCI Women Empowerment Awards 2018

The chamber organized the “OICCI Women Empowerment Awards 2018” on December 12, 2018 in a grand manner in a Hotel in Karachi. The ceremony was attended by a large number of CEOs, HR and other senior executives from different OICCI member companies, as well as diplomats and other distinguished guests.

The OICCI Women Empowerment Awards is the continuation of ‘OICCI Women: Empowering for a Brighter Tomorrow’ initiative which was launched in November 2017 to encourage member companies to become role models to empower women in the workforce and create gender equality within their respective organizations.

The awards were judged by an independent jury who vetted the performance of the companies from different angles and awarded the best performers overall and in five different categories. Past President of OICCI, Zaffar Khan, who was a member of the jury, which included, Honorary Consul General of Finland, Sadia Khan; Past President of OICCI, Atif Bajwa; and TV host and Executive Director Pharma Bureau, Ayesha Tammy Haq; informed the participants in detail about the process adopted by the jury and the scoring criteria.

Three companies emerged victorious across all the categories and won the top three positions for the main “OICCI Women Empowerment Award 2018.” Unilever won the top position and became ‘Champion of 2018’, whilst Telenor and Nestlé were declared the first and second runner-up. Special Recognition Awards were given in five categories. Metro Cash & Carry won in the ‘Leadership & Strategy’ category, Reckitt Benckiser in ‘Gender Balance Workforce’, Pepsi in ‘Work Life Integration’, GlaxoSmithKline in ‘Women Leaders Development’ and Philip Morris bagged the ‘Driving Change Beyond Workplace’ Award.



OICCI's Representation on Various Bodies

One of the key objectives of the chamber is to act as a mediator between the government and its members to ensure timely solutions to genuine concerns. This is done through highlighting issues faced by the members and bringing them into the notice of relevant authorities as well as lobbying with the government.

The OICCI is represented on the boards of the following government and semi-autonomous bodies:

S. No.	Representation	Nominee
1	Board of Investment, Islamabad	President
2	Intellectual Property Organization of Pakistan	Vice President
3	Board of Governors – Pakistan Institute of Trade & Development (Ministry of Commerce)	President
4	Executive Committee & General Body of FPCCI	MC members, Shazad G. Dada and Syed Anis Ahmed
5	Federal Export Promotion Board (FEPB) (Ministry of Commerce) – Committee III (Demand Side Issues & Export Promotion)	President
6	Advisory Council of the Ministry of Commerce	President
7	Pakistan Institute of Corporate Governance	Faisal Akhtar, CEO BASF
8	Board of Trustees – Karachi Port Trust	Babar Bashir Nawaz, CEO Attock Cement Company
9	Competition Commission of Pakistan (Competition Consultative Group)	Secretary General
10	Tax Advisory Council (FBR)	Secretary General
11	Tax Reforms Commission (Ministry of Finance/FBR)	Secretary General
12	BOI Task Force on Improving Pakistan's Ranking on Ease of Doing Business	Secretary General
13	Committee on broadening the Tax Base	Secretary General
14	Federal Tax Ombudsman's Advisory Committee (South)	Secretary General
15	Managing Committee of Employers Federation of Pakistan	Shahid M. Qureshi, Member IPR Subcommittee
16	Karachi Dock Labour Board	Junaid Zamir (QICT) and Khurram Aziz Khan (PICTL)

Financial Statements

For the Year Ended December 31, 2018

**Independent Auditor's Report to the Members of
Overseas Investors Chamber of Commerce and Industry**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Overseas Investors Chamber of Commerce and Industry (the Company), which comprise the statement of financial position as at December 31, 2018, and the income and expenditure statement, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the income and expenditure statement, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2018 and of the surplus, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the income and expenditure statement, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Farrukh Rehman.



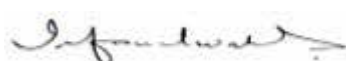
Chartered Accountants
Karachi
Date: January 9, 2019

Statement of Financial Position

As at December 31, 2018

	Note	2018 Rupees	2017 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	29,665,399	32,335,065
Long term deposits		412,586	408,586
		30,077,985	32,743,651
CURRENT ASSETS			
Receivable from members	5	483,630	-
Advances	7	21,334	886,222
Short-term prepayments		664,126	570,068
Accrued mark up		6,129,397	4,766,314
Cash and bank balances	8	200,039,827	204,226,474
		207,338,314	210,449,078
		237,416,299	243,192,729
ACCUMULATED FUND			
Accumulated Fund - Unrestricted		193,808,419	187,487,376
LIABILITIES			
NON-CURRENT LIABILITIES			
Staff retirement benefit - gratuity	6	1,357,189	1,528,495
Deferred taxation	9	341,819	511,357
		1,699,008	2,039,852
CURRENT LIABILITIES			
Taxation - provisions less payments		12,757,926	8,759,871
Trade and other payables	10	29,150,946	44,905,630
		41,908,872	53,665,501
		43,607,880	55,705,353
		237,416,299	243,192,729

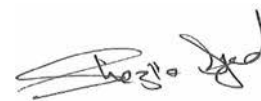
The annexed notes 1 to 23 form an integral part of these financial statements.



Irfan Wahab Khan
President



M. Abdul Aleem
Secretary General



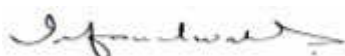
Shazia Syed
Member

Income and Expenditure Statement

For the Year Ended December 31, 2018

	Note	2018 Rupees	2017 Rupees
INCOME			
Member contributions	11	79,600,583	76,836,965
Rental income from building		5,580,036	5,072,760
Return on bank deposits		11,652,102	9,742,385
Other income	12	21,088,872	17,706,512
		<u>117,921,593</u>	<u>109,358,622</u>
EXPENDITURE			
Salaries, allowances and other benefits	13	61,764,515	55,691,503
Legal and professional charges		17,145,881	4,927,871
Depreciation and amortisation		5,599,224	5,359,799
Advertisement, promotions and public relationship		9,309,659	6,795,383
Electricity, fuel and gas		1,798,638	1,627,978
Printing and stationery		1,212,691	1,155,123
Repairs and maintenance		1,366,844	1,413,509
Entertainment		41,506	376,182
Other expenditure	14	7,501,688	7,264,794
		<u>105,740,646</u>	<u>84,612,142</u>
SURPLUS BEFORE TAXATION		12,180,947	24,746,480
Taxation	15	(5,859,904)	(5,184,603)
SURPLUS AFTER TAXATION		<u>6,321,043</u>	<u>19,561,877</u>

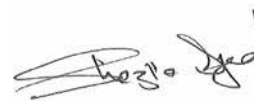
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Irfan Wahab Khan
President



M. Abdul Aleem
Secretary General



Shazia Syed
Member

Statement of Changes in Equity

For the Year Ended December 31, 2018

	Accumulated Fund (Unrestricted) Rupees
Balance as at January 1, 2017	167,925,499
Surplus after taxation for the year	19,561,877
Balance as at December 31, 2017	<u>187,487,376</u>
Surplus after taxation for the year	6,321,043
Balance as at December 31, 2018	<u><u>193,808,419</u></u>

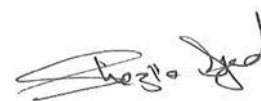
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Irfan Wahab Khan
President



M. Abdul Aleem
Secretary General



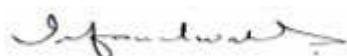
Shazia Syed
Member

Statement of Cashflows

For the Year Ended December 31, 2018

	Note	2018 Rupees	2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	16	(5,893,698)	22,333,814
Taxes paid		(2,031,387)	(2,582,204)
Increase in long term deposits		(4,000)	-
Staff gratuity paid		(4,541,327)	(4,214,211)
Net cash (used in) / generated from operating activities		(12,470,412)	15,537,399
CASH FLOWS FROM INVESTING ACTIVITIES			
Encashment of short term investments		161,800,000	218,000,000
Term deposits placed		(107,000,000)	(214,800,300)
Purchase of property and equipment		(2,929,556)	(905,614)
Proceeds from disposal of property and equipment		924,300	-
Return received		10,289,022	9,737,434
Net cash generated from investing activities		63,083,766	12,031,520
		50,613,354	27,568,919
Cash and cash equivalents at the beginning of the year		54,426,474	26,857,555
Cash and cash equivalents at the end of the year	17	105,039,828	54,426,474

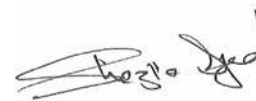
The annexed notes 1 to 23 form an integral part of these financial statements.



Irfan Wahab Khan
President



M. Abdul Aleem
Secretary General



Shazia Syed
Member

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

1. THE COMPANY AND ITS OPERATION

The company is a not for profit association under section 42 of the Companies Ordinance, 1984 and was incorporated as a guarantee limited company. The Chamber deals with matters relating to trade and commerce for the foreign investors in Pakistan. The Chamber was granted a license as a Trade Organisation by the Federal Government under Trade Organisations Act 2013 which is valid upto June 2019 and is renewable.

The registered office of the Chamber is situated at Chamber of Commerce Building, Talpur Road, Karachi.

2. SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

There was no significant event or transaction that particularly effected the Company's financial position and performance.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

3.1 Basis of preparation

3.1.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standards for Not for Profit Organisations (Accounting Standards for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards or the Accounting Standards for NPOs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The preparation of financial statements in conformity with IFRS and Standard for NPOs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management believes that no significant estimate has been made and no critical judgment has been used in applying the accounting policies that would have significant effect on the amounts recognised in the financial statements.

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

The Companies Act, 2017 (the Act) has also brought certain changes with regard to preparation and presentation of annual financial statements of the Company. These changes also include change in respect of recognition criteria of surplus on revaluation of fixed assets, change in nomenclature of primary statements, etc.

Further, the disclosure requirements contained in the Fifth Schedule to the Act have been revised, resulting in the:

- elimination of duplicative disclosures with the IFRS disclosure requirements; and
- incorporation of significant additional disclosures.

Keeping in view of the above, the presentation of these financial statements has been realigned with the provisions contained in the Act. The application of the Act, however, does not have any impact on the recognition and measurement of the amounts included in these financial statements of the Company.

3.2 Overall valuation policy

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

3.3 Property and equipment

i) Tangible

These are stated at cost less accumulated depreciation and any accumulated impairment losses except for capital work-in-progress which are stated at cost.

Depreciation on all assets is charged to income applying the straight line method whereby cost of an asset is written off over its estimated useful life at rates shown in note 4.1. Leasehold land is depreciated over the period of lease. Full year's depreciation is charged on additions during the year whereas no depreciation is charged in the year of disposal.

Maintenance and normal repairs are charged to income as and when incurred; gains and losses on disposal of fixed assets are included in income currently.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

ii) Intangible

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over the period of three years on straight-line basis.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

3.4 Receivables

Receivables are stated at original invoice amount. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

3.5 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, with banks and short term investments with original maturities of three months or less.

3.6 Staff Retirement Benefits

The Chamber operates an approved funded gratuity scheme which is a defined benefit plan. Accrual is made on the basis of actuarial recommendation. Actuarial valuation of scheme is carried out on periodical basis using the projected unit credit method and the latest valuation has been carried out as at December 31, 2018. Gratuity is payable to all employees of the Chamber who have completed minimum qualifying period in accordance with the Gratuity Scheme.

Actuarial gains and losses are charged or credited to income and expenditure statement in the period in which they arise.

Past-service costs are recognised immediately in income and expenditure statement.

3.7 Compensated absences

The Chamber accounts for compensated absences on the basis of unavailed leave balance of each employee in accordance with the policy of the Chamber at the end of the year.

3.8 Trade and other payables

Trade payables are carried at the fair value of the consideration to be paid for goods and services.

3.9 Fund accounting - Unrestricted

The unrestricted fund accounts for the Chamber matters relating to trade and commerce for the foreign investors in Pakistan. This Fund reports unrestricted resources.

3.10 Revenue recognition

Members' contributions are recognised on accrual basis. Certification and Visa fee are recognised at the time of issuance of certificate / letter.

Return / interest on bank deposits is recognised on accrual basis.

3.11 Foreign currency transactions and translation

Foreign currency transactions are translated into Pakistani Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange prevailing at the reporting date. Foreign exchange gains and losses on translation are recognised in the income and expenditure statement.

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

The financial statements are presented in Pakistani Rupees, which is the Chamber's functional and presentation currency.

3.12 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in income and expenditure statement, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

i) Current

Provision for taxation is based on taxable income at the current rates of taxation.

ii) Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3.13 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. Its also requires management to exercise its judgement in the process of applying the Chamber's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are provision for taxes and provision for staff gratuity.

4. PROPERTY AND EQUIPMENT

	2018 Rupees	2017 Rupees
Operating assets - note 4.1	29,185,399	32,335,065
Capital work in progress - note 4.3	480,000	-
	<u>29,665,399</u>	<u>32,335,065</u>

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

4.1 OPERATING ASSETS

	Leasehold land (note 4.2)	Building on leasehold land	Air conditioning plant	Electrical installations	Office furniture, fittings and equipments	Motor Vehicles	Total
	← Rupees →						
Net carrying value basis							
Year ended December 31, 2018							
Opening net book value (NBV)	14,139,999	14,655,712	1,250,728	197,633	2,053,793	37,200	32,335,065
Additions (at cost)	-	-	-	-	543,556	1,906,000	2,449,556
Disposals / write-off (at NBV)	-	-	-	-	-	*	-
Amortisation / Depreciation charge	(2,502,567)	(354,740)	(1,250,728)	(34,929)	(1,062,658)	(393,600)	(5,599,222)
Closing net book value	<u>11,637,432</u>	<u>14,300,972</u>	<u>-</u>	<u>162,704</u>	<u>1,534,691</u>	<u>1,549,600</u>	<u>29,185,399</u>
Gross carrying value basis							
At December 31, 2018							
Cost	17,675,000	18,231,583	12,507,325	3,542,313	16,006,004	1,968,000	69,930,225
Accumulated depreciation	(6,037,568)	(3,930,611)	(12,507,325)	(3,379,609)	(14,471,313)	(418,400)	(40,744,826)
Net book value	<u>11,637,432</u>	<u>14,300,972</u>	<u>-</u>	<u>162,704</u>	<u>1,534,691</u>	<u>1,549,600</u>	<u>29,185,399</u>
Net carrying value basis							
Year ended December 31, 2017							
Opening net book value (NBV)	4,800,316	15,010,452	2,501,461	3,466	2,587,255	49,600	24,952,550
Additions (at cost)	11,842,250	-	-	232,596	673,018	-	12,747,864
Disposals / write-off (at NBV)	-	-	-	-	(5,550)	-	(5,550)
Amortisation / Depreciation charge	(2,502,567)	(354,740)	(1,250,733)	(38,429)	(1,200,930)	(12,400)	(5,359,799)
Closing net book value	<u>14,139,999</u>	<u>14,655,712</u>	<u>1,250,728</u>	<u>197,633</u>	<u>2,053,793</u>	<u>37,200</u>	<u>32,335,065</u>
Gross carrying value basis							
At December 31, 2017							
Cost	17,675,000	18,231,583	12,507,325	3,542,313	15,462,448	1,572,000	68,990,669
Accumulated depreciation	(3,535,001)	(3,575,871)	(11,256,597)	(3,344,680)	(13,408,655)	(1,534,800)	(36,655,604)
Net book value	<u>14,139,999</u>	<u>14,655,712</u>	<u>1,250,728</u>	<u>197,633</u>	<u>2,053,793</u>	<u>37,200</u>	<u>32,335,065</u>
Rate of depreciation	2%	2%	10%	15%	15% & 33.33%	20%	

* Assets disposed off having nil net book value.

4.2 During the year, the Land Utilization Department, Government of Sindh issued a letter to the Deputy Commissioner intimating the renewal of lease for 50 years retrospectively from 2007. The company has accordingly paid the lease and ground rent charges upto 2057 to the respective departments. However, the lease has not yet been executed due to the order of Supreme Court as per which no application regarding mutation, allotment, transfer, conversion and/or reservation of state land shall be entertained, till further notice of the Supreme court.

4.3 The Company has entered into an agreement with an Architect/Interior Designer for Consultancy services relating to Conservation and Restoration /Renovation of the office building. The amount represents services rendered during the year.

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

	2018 Rupees	2017 Rupees
5. RECEIVABLE FROM MEMBERS		
Considered good	483,630	-
Considered doubtful	1,650,960	1,650,960
	<u>2,134,590</u>	<u>1,650,960</u>
Provision for doubtful receivable - note 5.1	(1,650,960)	(1,650,960)
	<u>483,630</u>	<u>-</u>

5.1 This represents receivable from Johnson & Johnson Pakistan (Private) Limited.

6. STAFF RETIREMENT BENEFIT - GRATUITY

As stated in note 3.6, the company operates approved funded gratuity scheme. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to minimum qualifying period in accordance with the Gratuity Scheme. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at December 31, 2018.

The latest actuarial valuations of the Plans as at December 31, 2018 were carried out using the Projected Unit Credit Method. Details of the Scheme as per the actuarial valuations are as follows:

	2018 Rupees	2017 Rupees
6.1 Balance sheet reconciliation as at December 31		
Present value of defined benefit obligation	25,883,731	20,595,779
Fair value of plan assets	24,526,542	19,067,284
Deficit	<u>1,357,189</u>	<u>1,528,495</u>
6.2 Movement in the defined benefit obligation		
Obligation as at January 01	20,595,779	16,234,758
Current service cost	2,888,405	2,880,655
Benefits paid	-	(323,463)
Other changes	2,399,544	1,803,829
Obligation as at December 31	<u>25,883,728</u>	<u>20,595,779</u>
6.3 Movement in the fair value of plan assets		
Fair value as at January 01	19,067,284	14,999,029
Employer contributions	4,541,327	4,214,211
Benefits paid	-	(323,463)
Other changes	917,931	177,507
Fair value as at December 31	<u>24,526,542</u>	<u>19,067,284</u>

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

6.4	Expense recognised in income and expenditure statement	2018 Rupees	2017 Rupees
	Current service cost	2,888,405	2,880,655
	Net interest expense	124,427	97,827
	Other changes	1,357,189	1,528,495
	Expense for the year	<u>4,370,021</u>	<u>4,506,977</u>
6.5	Net recognised liability		
	Balance as at January 01	1,528,495	1,235,729
	Expenses for the year	4,370,021	4,506,977
	Employer contributions	(4,541,327)	(4,214,211)
	Balance as at December 31	<u>1,357,189</u>	<u>1,528,495</u>
6.6	Composition of Plan Assets		
		<u>2018</u>	<u>2017</u>
		Rupees	%
	Cash at bank	4,719,693	19%
	National savings schemes	-	-
	Term Deposit Receipts	19,806,849	81%
		<u>24,526,542</u>	<u>100.00</u>
		Rupees	%
		71,729	0.38%
		5,262,200	27.60%
		13,733,355	72.02%
		<u>19,067,284</u>	<u>100%</u>
6.7	Actuarial assumptions	2018	2017
	Expected rate of increase in salaries	12.75%	8.25%
	Discount rate	12.75%	8.25%
	During service mortality table	SLIC (2001-05)-1	SLIC (2001-05)-1
6.8	The actual return on plan assets was Rs. 917,931 (2017: Rs. 177,507).		
7.	ADVANCES	2018 Rupees	2017 Rupees
	Advances to suppliers – considered good	<u>21,334</u>	<u>886,222</u>
8.	CASH AND BANK BALANCES		
	With banks on:		
	- current accounts	10,359,447	3,551,302
	- savings account - note 8.1	22,620,680	26,846,232
	- term deposits - note 8.2	167,000,000	173,800,000
	Cash in hand	59,700	28,940
		<u>200,039,827</u>	<u>204,226,474</u>

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

- 8.1 This carry mark up rate of 3.3% to 8.8% (2017: 3.75%) per annum.
- 8.2 These carry mark up rates ranging from per annum 6.5% to 9.25% (2017: 5.18% to 5.80% per annum) maturing latest by September 10, 2019 (2017: September 07, 2018)

9. DEFERRED TAXATION	2018 Rupees	2017 Rupees
9.1 Credit balance arising in respect of accelerated tax depreciation allowances	<u>341,819</u>	<u>511,357</u>
9.2 Deferred tax liabilities at January 1	511,357	667,224
Credited to income and expenditure statement	(169,538)	(155,867)
Deferred tax liabilities at December 31	<u>341,819</u>	<u>511,357</u>
10. TRADE AND OTHER PAYABLES		
Creditors	1,061,484	1,275,431
Accrued liabilities	13,275,430	29,711,737
Subscription received in advance	13,465,486	12,561,336
Members' contribution for flood relief activities	250,546	250,546
Security deposit from tenant utilized for business purpose	1,098,000	1,098,000
Other liabilities	-	8,580
	<u>29,150,946</u>	<u>44,905,630</u>
11. MEMBERS CONTRIBUTIONS		
Membership subscription and entrance fee - Note 11.1	49,720,000	45,701,916
Members contributions for sub-committee - Note 11.2	<u>29,880,583</u>	<u>31,135,049</u>
	<u>79,600,583</u>	<u>76,836,965</u>
11.1 Membership subscription and entrance fee is fixed based on number of employees of the member companies. Such subscriptions are received from 189 companies in the range from Rs.135,000 - Rs. 400,000 per year.		
11.2 This represents membership subscription of Sub - committee of the Comapny Pharma - Bureau which is decided by the members of the sub - committee.		
12. OTHER INCOME	2018 Rupees	2017 Rupees
Fees for certification	10,348,500	8,058,500
Fee for VISA recommendation	9,343,300	9,142,500
Gain on disposal of fixed assets	924,300	-
Others	472,772	505,512
	<u>21,088,872</u>	<u>17,706,512</u>

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

	2018 Rupees	2017 Rupees
13. SALARIES, ALLOWANCES AND OTHER BENEFITS		
Salaries and allowances	56,289,511	49,922,076
Contributions to provident fund and E.O.B.I.	88,400	113,100
Medical expenses	1,016,585	1,149,350
Staff gratuity	4,370,019	4,506,977
	<u>61,764,515</u>	<u>55,691,503</u>
14. OTHER EXPENDITURE		
Travelling	1,659,631	1,158,404
Postage, telegram and telephone	1,116,562	814,424
Vehicle running and maintenance	15,268	105,009
Insurance	1,416,988	1,454,005
Fixed assets written off	-	5,550
Municipal taxes and ground rent	184,271	361,660
Subscriptions	246,401	230,872
Donation	-	300,000
Auditors' remuneration - note 14.1	211,200	171,000
Security	887,709	923,628
Software	26,930	52,548
Provision for doubtful receivables, net	-	417,149
General expenses	1,736,728	1,270,545
	<u>7,501,688</u>	<u>7,264,794</u>
14.1 Auditors' Remuneration		
Audit fee	180,000	144,000
Audit of staff retirement fund	11,200	10,000
Out of pocket expenses	20,000	17,000
	<u>211,200</u>	<u>171,000</u>
15. TAXATION		
For the year		
- Current	6,029,442	5,340,470
- Deferred	(169,538)	(155,867)
	<u>5,859,904</u>	<u>5,184,603</u>

Applicable tax rate for the year is 29% (2017: 30%).

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

	2018 Rupees	2017 Rupees
16. CASH GENERATED FROM OPERATIONS		
Surplus before taxation	12,180,947	24,746,480
Adjustments for non-cash charges and other items		
Depreciation	5,599,222	5,359,799
Return on bank deposits	(11,652,102)	(9,742,385)
Gain on sale of fixed assets	(924,300)	-
Fixed assets written off	-	5,550
Provision for staff gratuity	4,370,019	4,506,977
	<u>(2,607,161)</u>	<u>129,941</u>
Surplus before working capital changes	<u>9,573,786</u>	<u>24,876,421</u>
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets		
Receivables	(483,630)	208,499
Loan and advances	864,888	(882,110)
Other receivables	-	2,782,048
Short term prepayments and other receivables	(94,058)	(101,285)
	<u>287,200</u>	<u>2,007,152</u>
Decrease in current liabilities		
Trade and other payables	(15,754,684)	(4,549,759)
	<u>(5,893,698)</u>	<u>22,333,814</u>
17. CASH AND CASH EQUIVALENTS		
Items shown in note 8 'cash and bank balances' include following for the purpose of cash and cash equivalents:		
	2018 Rupees	2017 Rupees
With banks on		
- current accounts	10,359,448	3,551,302
- savings account	22,620,680	26,846,232
Cash in hand	59,700	28,940
Term deposit certificates		
- maturing within 3 months	72,000,000	24,000,000
	<u>105,039,828</u>	<u>54,426,474</u>
18. REMUNERATION OF CHIEF EXECUTIVE / SECRETARY GENERAL		
Managerial remuneration	11,368,752	10,335,228
House rent	5,115,938	4,650,853
Bonus - note 18.1	5,286,474	4,805,881
Retirement benefits	1,468,465	1,334,968
Conveyance	880,824	857,640
Leave benefits	734,233	667,484
Utilities	1,136,880	1,033,524
Medical	82,905	96,405
	<u>26,074,471</u>	<u>23,781,983</u>
Number of person	<u>1</u>	<u>1</u>

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

- 18.1 Out of bonus recognized in financial statements for 2017, amount paid in 2018 was Rs. 4,805,881 (paid in 2017 relating to 2016: Rs. 4,409,068).

	2018 Rupees	2017 Rupees
19. FINANCIAL INSTRUMENTS		
Financial assets measured at amortised cost less impairment	<u>206,603,144</u>	<u>210,287,596</u>
Financial liabilities measured at amortised cost	<u>17,232,705</u>	<u>16,722,388</u>

20. TRANSACTIONS WITH RELATED PARTIES

Relationship	Nature of transaction	2018 Rupees	2017 Rupees
i)	Key management compensation (Other than Secretary General as above)		
	- Salaries and other short-term employee benefits	17,228,352	15,027,451
	- Post retirement benefits	1,176,800	1,069,818
ii)	Staff retirement funds:		
	Contribution during the year		
	- Gratuity Fund	5,898,514	4,214,211
	Repayment of loan made during the year		
	- Provident Fund	-	2,782,048

21. NUMBER OF EMPLOYEES

	2018	2017
Number of employees including contractual employees at the end of year	23	23

Notes to and forming part of the Financial Statements

For the Year Ended December 31, 2018

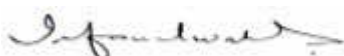
22. COMPETITION COMMISSION OF PAKISTAN

During 2016, Competition Commission of Pakistan (CCP) issued a show cause notice dated 13 October 2016 to Pharma Bureau (PB), sub-committee of the Overseas Investors Chamber of Commerce and Industry. The said show cause notice was in relation to increased prices of various medicines and related matters and PB was called upon to show cause as to why an order and/or penalty may not be passed/ imposed under relevant sections of the Competition Act 2010. The case has been finally argued and judgement has been reserved for announcement by the CCP.

Based on the opinion of the Chamber's legal advisors, the management is hopeful that the ultimate outcome of this notice will be in favour of the Chamber and there is no likelihood of any unfavourable outcome.

23. DATE OF AUTHORISATION FOR ISSUE


These financial statements were authorised for issue on **09 Jan 2019** by the Managing Committee of the Chamber.



Irfan Wahab Khan
President



M. Abdul Aleem
Secretary General



Shazia Syed
Member

January 9, 2019

Notice of the 159th Annual General Meeting

Notice is hereby given that the 159th Annual General Meeting of the members of the Overseas Investors Chamber of Commerce and Industry will be held on Thursday, January 31, 2019 at 3.30 pm at the Chamber's registered office, Chamber of Commerce building, Talpur Road, Karachi, to transact the following business:

1. To confirm the minutes of 158th Annual General Meeting.
2. To receive, consider and adopt the Accounts for the year ended December 31, 2018, the report of the Auditors' thereon and the report of the Managing Committee.
3. To appoint Auditors of the Chamber and fix their remuneration. The retiring Auditors A. F. Ferguson & Co., being eligible, have offered themselves for reappointment for the year 2019.
4. To receive the report of the Election Commission for the election of Vice President and 8 (eight) members of the Managing Committee and announce the results of the election for the 2019 term.
5. Any other business with the permission of the Chair.

By order of the Committee.



M. Abdul Aleem
Secretary General

Notes:

- A member entitled to attend the General Meeting is entitled to appoint proxy instead of him / her. A proxy should be a member of the Chamber who is attending the meeting.
- The instrument appointing a proxy (attached) should be signed by the member or by his / her attorney duly authorized in writing.
- The proxies shall be deposited at the registered office of the Chamber not less than 48 hours before the time of the meeting.

Ten Meetings of the Managing Committee were held from February 2018 to January 2019 on the following dates:

January 9, 2019	November 27, 2018	October 18, 2018	September 11, 2018
August 7, 2018	June 26, 2018	May 18, 2018	April 23, 2018
	March 20, 2018	February 19, 2018	

Attendance of the Managing Committee

S. No.	Name	Total
1.	Irfan Wahab Khan	7
2.	Shazia Syed	7
3.	Ghiasuddin Khan	3
4.	Helmut Von Struve	9
5.	Kimihide Ando	4
6.	Sarim Sheikh	9
7.	Shazad G. Dada	9
8.	Syed Anis Ahmed	6
9.	Saqib H. Shirazi	8
10.	Sima Kamil	3
11.	Olivier Sabrie	2
12.	Syed Javed Iqbal	1
13.	M. Abdul Aleem	10
14.	Bruno Olierhoek	5
15.	Jawwad Ahmed Cheema	1
16.	Tayyab Tareen	2

List of OICCI Members

As on December 31, 2018

- | | | | |
|----|--|----|---|
| 1 | 3M PAKISTAN (PRIVATE) LIMITED | 46 | ELI LILLY PAKISTAN (PRIVATE) LIMITED |
| 2 | ABB POWER & AUTOMATION (PRIVATE) LIMITED | 47 | ENGRO CORPORATION LIMITED |
| 3 | ABBOTT LABORATORIES (PAKISTAN) LIMITED | 48 | ENGRO FOODS LIMITED |
| 4 | ABUDAWOOD TRADING COMPANY PAKISTAN (PRIVATE) LIMITED | 49 | ENGRO POLYMER & CHEMICALS LIMITED |
| 5 | AISHA STEEL MILLS LIMITED | 50 | ENGRO POWERGEN THAR (PRIVATE) LIMITED |
| 6 | AKZO NOBEL PAKISTAN LIMITED | 51 | ENGRO VOPAK TERMINAL LIMITED |
| 7 | AL BARAKA BANK (PAKISTAN) LIMITED | 52 | ENI PAKISTAN LIMITED |
| 8 | ALLIANZ EFU HEALTH INSURANCE LIMITED | 53 | EURONET PAKISTAN (PRIVATE) LIMITED |
| 9 | ARABIAN SEA ENTERPRISES LIMITED | 54 | EXIDE PAKISTAN LIMITED |
| 10 | ARCHROMA PAKISTAN LIMITED | 55 | FAUJI OIL TERMINAL & DISTRIBUTION COMPANY LIMITED |
| 11 | ARYSTA LIFESCIENCE PAKISTAN (PRIVATE) LIMITED | 56 | FAYSAL BANK LIMITED |
| 12 | ASIA PETROLEUM LIMITED | 57 | GE INTERNATIONAL OPERATIONS COMPANY INC. |
| 13 | ASIAN CONSUMER CARE PAKISTAN (PVT) LIMITED | 58 | GENERAL TYRE AND RUBBER COMPANY OF PAKISTAN LIMITED (THE) |
| 14 | ATLAS HONDA LIMITED | 59 | GETZ PHARMA (PRIVATE) LIMITED |
| 15 | ATLAS POWER LIMITED | 60 | GILLETTE PAKISTAN LIMITED |
| 16 | ATTOCK CEMENT PAKISTAN LIMITED | 61 | GLAXOSMITHKLINE PAKISTAN LIMITED |
| 17 | ATTOCK OIL COMPANY LIMITED (THE) | 62 | GREIF FLEXIBLES PAKISTAN (PVT) LTD |
| 18 | ATTOCK PETROLEUM LIMITED | 63 | GRID SOLUTIONS PAKISTAN (PVT.) LIMITED |
| 19 | ATTOCK REFINERY LIMITED | 64 | HABIB METRO PAKISTAN (PVT) LIMITED |
| 20 | B. BRAUN PAKISTAN (PRIVATE) LIMITED | 65 | HABIB METROPOLITAN BANK LIMITED |
| 21 | BANK ALFALAH LIMITED | 66 | HASCOL PETROLEUM LIMITED |
| 22 | BARRETT HODGSON PAKISTAN (PRIVATE) LIMITED | 67 | HASCOMBE BUSINESS SOLUTIONS (PRIVATE) LIMITED |
| 23 | BASF PAKISTAN (PRIVATE) LIMITED | 68 | HEINZ PAKISTAN (PVT) LTD |
| 24 | BATA PAKISTAN LIMITED | 69 | HINOPAK MOTORS LIMITED |
| 25 | BAYER PAKISTAN (PRIVATE) LIMITED | 70 | HUB POWER COMPANY LIMITED (THE) |
| 26 | BELTEXCO LIMITED | 71 | HUNTSMAN TEXTILE EFFECTS PAKISTAN (PRIVATE) LIMITED |
| 27 | BERGER PAINTS PAKISTAN LIMITED | 72 | IBL-UNISYS (PVT) LIMITED |
| 28 | BIPL SECURITIES LIMITED | 73 | IBM ITALIA SPA. |
| 29 | BMA CAPITAL MANAGEMENT LIMITED | 74 | ICI PAKISTAN LIMITED |
| 30 | BSN MEDICAL (PRIVATE) LIMITED | 75 | ICI PAKISTAN POWERGEN LIMITED |
| 31 | BYCO PETROLEUM PAKISTAN LIMITED | 76 | IFFCO PAKISTAN (PRIVATE) LIMITED |
| 32 | CHEVRON PAKISTAN LUBRICANT (PVT) LIMITED | 77 | INDUS MOTOR COMPANY LIMITED |
| 33 | CHIESI PHARMACEUTICALS (PRIVATE) LIMITED | 78 | INDUSTRIAL PROMOTION SERVICES (PAKISTAN) LIMITED |
| 34 | CHUBB INSURANCE PAKISTAN LIMITED | 79 | ITOCHU CORPORATION |
| 35 | CITIBANK N. A. | 80 | J&P COATS PAKISTAN (PRIVATE) LIMITED |
| 36 | CLARIANT CHEMICAL PAKISTAN (PVT) LTD | 81 | J. P. MORGAN PAKISTAN (PRIVATE) LIMITED |
| 37 | COCA-COLA BEVERAGES PAKISTAN LIMITED | 82 | JOHNSON & PHILLIPS (PAKISTAN) LIMITED |
| 38 | COCA-COLA EXPORT CORPORATION (THE) | 83 | JUBILEE LIFE INSURANCE COMPANY LIMITED |
| 39 | CONTINENTAL BISCUITS LIMITED | 84 | KANSAI PAINT (PRIVATE) LIMITED |
| 40 | DAWOOD HERCULES CORPORATION LIMITED | 85 | KARACHI INTERNATIONAL CONTAINER TERMINAL |
| 41 | DEUTSCHE BANK AG | 86 | K-ELECTRIC LIMITED |
| 42 | DHL GLOBAL FORWARDING PAKISTAN (PRIVATE) LIMITED | 87 | KIRTHAR PAKISTAN B.V. |
| 43 | DHL PAKISTAN (PVT) LTD | 88 | KOT ADDU POWER COMPANY LIMITED |
| 44 | DUBAI ISLAMIC BANK PAKISTAN LIMITED | 89 | KSB PUMPS COMPANY LIMITED |
| 45 | DUPONT PAKISTAN OPERATIONS (PRIVATE) LIMITED | 90 | KUWAIT PETROLEUM CORPORATION |

91 LAHORE CABLES & ENGINEERING (PRIVATE) LIMITED	143 PHARMATEC PAKISTAN (PRIVATE) LIMITED
92 LOTTE CHEMICAL PAKISTAN LIMITED	144 PHILIP MORRIS (PAKISTAN) LIMITED
93 LUNDBECK PAKISTAN (PRIVATE) LIMITED	145 PHILIPS PAKISTAN LIMITED
94 MACKINNON, MACKENZIE & COMPANY OF PAKISTAN (PRIVATE) LTD	146 PHOENIX ARMOUR (PRIVATE) LIMITED
95 MAPAK EDIBLE OILS (PRIVATE) LIMITED	147 PREMIER OIL PAKISTAN HOLDING B.V.
96 MARUBENI CORPORATION	148 PROCTER & GAMBLE PAKISTAN (PRIVATE) LIMITED
97 MASTERCARD PAKISTAN (PRIVATE) LIMITED	149 QASIM INTERNATIONAL CONTAINER TERMINAL PAKISTAN LIMITED
98 MEEZAN BANK LIMITED	150 RAFHAN MAIZE PRODUCTS COMPANY LIMITED
99 MERCK (PRIVATE) LIMITED	151 RECKITT BENCKISER PAKISTAN LIMITED
100 METRO-HABIB CASH & CARRY PAKISTAN (PVT) LTD	152 REUTERS LIMITED
101 MICROSOFT CORPORATION	153 ROCHE PAKISTAN LIMITED
102 MITSUBISHI CORPORATION	154 ROUSCH (PAKISTAN) POWER LIMITED
103 MITSUI & COMPANY LIMITED	155 S. C. JOHNSON & SON OF PAKISTAN (PRIVATE) LIMITED
104 MOL PAKISTAN OIL AND GAS CO. B.V.	156 SANOFI AVENTIS PAKISTAN LIMITED
105 MONDELEZ PAKISTAN LIMITED	157 SAUDI PAK INDUSTRIAL & AGRICULTURAL INVESTMENT CO. LTD
106 MUFG BANK LIMITED	158 SCHNEIDER ELECTRIC PAKISTAN (PRIVATE) LIMITED
107 MULLER & PHIPPS PAKISTAN (PRIVATE) LIMITED	159 SERIOPLAST PAKISTAN (PVT) LTD
108 NALCO PAKISTAN (PRIVATE) LIMITED	160 SERVIER RESEARCH & PHARMACEUTICALS PAKISTAN (PRIVATE) LTD
109 NBP FULLERTON ASSET MANAGEMENT LIMITED	161 SGS PAKISTAN (PRIVATE) LIMITED
110 NCR CORPORATION	162 SHEIKHOO SUGAR MILLS LIMITED
111 NESTLE PAKISTAN LIMITED	163 SHELL PAKISTAN LIMITED
112 NIPPON PAINT PAKISTAN (PVT) LTD	164 SICPA INKS PAKISTAN (PVT) LIMITED
113 NOVARTIS PHARMA (PAKISTAN) LIMITED	165 SIEMENS HEALTHCARE (PRIVATE) LIMITED
114 NOVO NORDISK PHARMA (PRIVATE) LIMITED.	166 SIEMENS PAKISTAN ENGINEERING COMPANY LIMITED
115 OBS HEALTHCARE (PRIVATE) LIMITED	167 SIKA PAKISTAN (PRIVATE) LIMITED
116 ORIX LEASING PAKISTAN LIMITED	168 SOUTH ASIA PAKISTAN TERMINALS LIMITED
117 ORKILA PAKISTAN (PRIVATE) LIMITED	169 SPGPRINTS PAKISTAN (PRIVATE) LIMITED
118 OTSUKA PAKISTAN LIMITED	170 STANDARD CHARTERED BANK (PAKISTAN) LIMITED
119 OXFORD UNIVERSITY PRESS	171 SUMITOMO CORPORATION ASIA & OCEANIA PTE LIMITED
120 PAIR INVESTMENT COMPANY LIMITED	172 SYNGENTA PAKISTAN LIMITED
121 PAK BRUNEI INVESTMENT COMPANY LIMITED	173 TELENOR PAKISTAN (PRIVATE) LIMITED
122 PAK CHINA INVESTMENT COMPANY LIMITED	174 TERADATA GLOBAL CONSULTING PAKISTAN (PRIVATE) LIMITED
123 PAK OMAN INVESTMENT COMPANY LIMITED	175 TERADATA PAKISTAN (PRIVATE) LIMITED
124 PAK-ARAB PIPELINE COMPANY LIMITED	176 TETHYAN COPPER COMPANY PAKISTAN (PRIVATE) LIMITED
125 PAK-ARAB REFINERY LIMITED	177 TETRA PAK PAKISTAN LIMITED
126 PAKISTAN CABLES LIMITED	178 TOTAL PARCO PAKISTAN LIMITED
127 PAKISTAN GUM & CHEMICALS LIMITED	179 TPL HOLDINGS (PRIVATE) LIMITED
128 PAKISTAN GUM INDUSTRIES (PRIVATE) LIMITED	180 TRG (PRIVATE) LIMITED
129 PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED	181 TRI-PACK FILMS LIMITED
130 PAKISTAN MOBILE COMMUNICATIONS LIMITED	182 UCH POWER (PRIVATE) LIMITED
131 PAKISTAN OXYGEN LIMITED	183 UNILEVER PAKISTAN LIMITED
132 PAKISTAN PETROLEUM LIMITED	184 UNITED BANK LIMITED
133 PAKISTAN REFINERY LIMITED	185 UNITED ENERGY PAKISTAN LIMITED
134 PAKISTAN TELECOMMUNICATION COMPANY LIMITED	186 WMGS SERVICES LIMITED (LIAISON OFFICE)
135 PAKISTAN TOBACCO COMPANY LIMITED	187 WYETH PAKISTAN LIMITED
136 PAK-LIBYA HOLDING COMPANY (PVT) LIMITED	
137 PAK-QATAR FAMILY TAKAFUL LIMITED	
138 PAK-QATAR GENERAL TAKAFUL LIMITED	
139 PARAZELSUS PAKISTAN (PRIVATE) LIMITED	
140 PAXAR PAKISTAN (PRIVATE) LIMITED	
141 PEPSI-COLA INTERNATIONAL (PRIVATE) LIMITED	
142 PFIZER PAKISTAN LIMITED	



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