



GWADAR NEWS UPDATE FOR 2011

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DATED: 21st November, 2011

Oman grants \$17m for Gwadar airport

QUETTA, Nov 20: Oman has given a grant of \$17 million to the Balochistan government for building an airport of international standard in Gwadar. According to official sources, 43,000 acres of land have been acquired for the airport that will have latest facilities.

The Civil Aviation Authority's Director General Air Marshal (retd) Khalid Chaudhry discussed the project with Balochistan Chief Secretary Mir Ahmed Bakhsh Lehri.

The airport will be designed for both passenger and cargo flights.

The sources said the provincial government was taking serious steps to make Gwadar the winter capital of Balochistan besides making the port functional.

"The chief secretary has issued directives to ensure reopening of a five-star hotel in the town that was closed a few months ago," they said, adding that the hotel's administration had been asked to take steps in this regard.

The chief secretary and the Chief Minister's Principal Secretary Hafiz Abdul Basit have held meetings in Gwadar to increase the pace of the implementation of the government's announcement that the town will be the provincial capital from October to March each year.

About 80 per cent construction work on a district and provincial complex and major portions of other official buildings have been completed and the government has asked contractor companies to accelerate the work. The government is also mulling over holding a session of the Balochistan Assembly in Gwadar and local officials have been asked to review arrangements in this regard.

The decision by Nawab Aslam Raisani's government to make Gwadar the winter capital has increased the importance of the coastal town.

"The move will have a deep impact on the economy and trade of the region and will also help remove the sense of deprivation among local people," provincial minister Mir Hamal Kalamati said.

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DATED: 27th October, 2011

Gwadar made winter capital of Balochistan

QUETTA: Balochistan Chief Minister Nawab Aslam Raisani has declared Gwadar as the winter capital of Balochistan.

"Gwadar will be the winter provincial capital of Balochistan from Oct 21 to March 3," the chief minister announced here on Wednesday.

He directed all government departments to make necessary arrangements for implementing the decision.



The proposal of making the coastal town the winter capital of the province was made by Speaker Aslam Bhootani two years ago.

BUSINESS RECORDER
DATED: 26th October, 2011

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'Iran offers Pakistan electricity to meet energy requirements'

ISLAMABAD: Federal Minister for Petroleum Dr. Asim Hussain said that Iran has made an offer to Pakistan regarding energy requirements and the government is working on the project with the active assistance of the Ministry of Water and Power.

Talking to VOA, Dr. Asim Hussain said that Iran offered Pakistan 1000MW electricity to cope with the energy crisis. For this purpose, a project for laying transmission line is also under consideration, he added.

He said Pakistan is making efforts to meet its energy requirements of gas and electricity through different sources adding that if Pakistan imports electricity from Iran, its cost will be affordable for Pakistan.

He said that Pakistan is currently importing 35MW electricity for Gwadar and work is underway on a project to enhance it up to 1000MW. It is also making efforts to implement proposed gas pipeline project from Iran since 1990.

Replying to a question regarding future of Pak-Iran gas pipeline project, Dr. Asim Hussain said that we are working on this project, but we are also looking at international scenario and will move on it accordingly.

BUSINESS RECORDER
DATED: 1st October, 2011

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'APC proves united stance of Pakistani nation on national security'

MULTAN: Prime Minister Syed Yusuf Raza Gilani on Saturday said the successful holding of All Parties Conference (APC) testified the fact that Pakistani nation was united on the issue of country's security and defence.

"We will never allow anyone even to have ill-thinking about Pakistan's security. We do not desire war and want peace in the country and beyond. Pakistan can play an important role in peace and we will do it", Gilani told a historic gathering in 'Bili Wala' town, some 30 kilometers from Multan where he laid the foundation stone of Khanewal-Multan section of Multan-Faisalabad motorway. The prime minister said Pakistan was ready to hold talks with everyone for peace and can go to any extent to achieve this objective, adding, "All the political forces stand shoulder to shoulder for Pakistan's security interests." He, however, made it clear that Pakistan will talk on the basis of equality and mutual respect, by keeping in view the country's national interests.

Prime Minister Gilani lauded the political leaders, who responded positively on his call and sat together to discuss the issue of Pakistan's security, while keeping their political differences aside. Gilani said he could have summoned a



Joint Sitting of Parliament on this issue but he opted to call an APC so that the political parties, that had boycotted the previous elections, could be represented in this important national moot.

"The APC was aimed at sending a message to the world that on the issue of Pakistan's security, the whole nation and political forces were united", he said and added that the APC proved that the Pakistani nation was 'one like a rock' on the issue of country's security and defence. The Prime Minister said the Muslims are not inferior to anyone. He, however, criticized those extremist elements, who were bringing bad name to Islam. Gilani said the country's elders including his ancestors rendered great sacrifices to get a separate homeland and how they can compromise on national interests, adding, "My father was a signatory to Pakistan's resolution." Prime Minister Gilani while talking about the assassination of former Afghan President and Chairman of Afghan High Peace Council Prof Burhanuddin Rabbani, said Afghan President Hamid Karzai has some misunderstanding on this issue. "I want to convey to Afghan President Hamid Karzai, who is my brother and friend, and with whom we have good relations, has some misunderstanding on the assassination of Prof Rabbani", he remarked. Gilani said he himself visited Afghanistan to express condolences over the assassination of Rabbani, adding, Pakistan was ready to provide any security or intelligence assistance in this respect. "They cannot doubt us. Pakistanis are a self-respecting nation. The Prime Minister felicitated the nation as well as the country's political forces that it was due to the APC meeting that the United States had sent a message that they needed Pakistan and that they could not win the war (against terrorism) without it. "It is due to APC as well as the unity of political leaders that the US has sent a message that they need Pakistan and that they cannot win the war against the terrorism without Pakistan". "They have also distanced themselves from the statement of Mullen. It is the victory of Pakistani nation, political parties as well as the government's policy of reconciliation", he remarked. The Prime Minister on this occasion announced that Multan-Faisalabad Motorway would now start from Muzaffargarh and would be extended to Sindh via Lodhran and Bahawalpur.

The motorway will also be linked to Gwadar via Ratodero, he said and added that he had also talked to the Chinese President and Premier to provide assistance to Pakistan for the project so that it proved to be another hallmark of Pak-China friendship like the Karakoram Highway (KKH).

He said the motorway -- after linking southern and northern Punjab would bring industrial revolution in the area and usher in a new era of prosperity for the people.

Abdul Qadir Gilani, MPA, while addressing the public meeting said the huge crowd of people from South Punjab was a referendum in the support of creating a new province from Sahiwal to Sadiqabad.

He said the people of South Punjab, who had been deprived of their rights in the past, have now realized that their hard-earned resources were being utilized for the development of Lahore and surrounding areas.

Qadir Gilani vowed to work for the rights of the people of South Punjab. He said the construction of motorway in the area would provide ample opportunities of economic development and would create jobs.

The public meeting was also addressed by a number of parliamentarians and local leaders.

Earlier, the Prime Minister accompanied by Punjab Governor Sardar Latif Khan Khosa and Chief Minister Gilgit-Baltistan Syed Mehdi Shah performed the ground-breaking of the project. Federal Minister for Communication Arbab Alamgir was also present.

The mega project is in line with the government's project of upgrading the communication network across the country to facilitate the people.



The Multan-Faisalabad Motorway will be completed in four phases including the Multan-Khanewal (57km), Khanewal-Shorkot (65km), Shorkot-Gojra (61km) and Gojra-Faisalabad (58km).

The five interchanges including Vehari road interchange, LMQ interchange, Tataypur interchange, Bahawalpur interchange, and Shujaabad interchange at Milton-Khanewal section will be constructed.

The motorway will connect the Indus Highway (N-55) and will reduce the travelling distance between Karachi and Islamabad.

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DATED: 3rd September, 2011

Zardari proposes 4-point strategy to boost regional economic cooperation

DUSHANBE: President Asif Ali Zardari proposed a four-point strategy to boost economic cooperation among Pakistan, Tajikistan, Afghanistan and Russia.

Addressing the third quadrilateral summit here, he called for regional connectivity framework to physically connect the member states with road, railway and air links.

The president pointed out that Russia, Tajikistan are already connected and Pakistan may consider the road link from Dushanbe to Chitral through Iskatul Gulkhana in Afghanistan.

This would both be a shortest road and also link the ports of Gwadar and Karachi to Dushanbe and onwards to Russia, he added.

Zardari gave proposal for preferential trade arrangements, transit trade facilities, joint business forums, trade exhibitions and joint ventures in banking, textile, cement, agriculture and steel sectors to give a major boost to commercial and trade relations.

In this regard, he pointed out, the expansion of the Afghanistan Pakistan Transit Trade Agreement and said inclusion of other partners would be a significant step.

He said effective utilization of water resources and energy generation will determine peace and direction of our economies. In this connection, implementation of CASA 1000 hydro electricity project is of great significance.

President Zardari told the conference that terrorism, drug trafficking and organized criminal activities pose security challenges and are a threat to our countries. They have developed a nexus that must be defeated through close cooperation, coordination and action.

The president emphasized that it was only through regional solution that we can address regional issues. He said we are collective stakeholders in our common aspirations for peace, stability and development in the region.

Referring to the menace of terrorism, he said Pakistan itself has paid a heavy price in its campaign against terrorism and extremism. "We are closely working with President Karzai and support his efforts to bring peace and stability in Afghanistan. Peace in Afghanistan means peace in Pakistan," he said.



He said Pakistan fully supports and remains committed to the success of Afghan led and Afghan owned reconciliation process in that country. The president pointed out that durable peace also requires economic dividends. We already had a meeting of our economic and commerce minister and a number of projects have been identified for development.

Joint Experts should meet in near future for technical discussions on these projects, he added. He said anti narcotics chiefs of the four countries have also met and discussed measures to combat drug trafficking.

President Zardari proposed establishment of a coordination mechanism headed by four foreign ministers and assisted by the foreign secretaries to follow up on the growing thread of cooperation and to report to the next summit.

He reiterated Pakistan's offer to host the next quadrilateral summit in Islamabad next year.

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DATED: 25th August, 2011

PM lauds ADB's role in successful projects

ISLAMABAD: Prime Minister Syed Yusuf Raza Gilani on Thursday appreciated the role of Asian Development Bank in undertaking projects in various sectors in Pakistan and hoped that this partnership would continue for development.

Talking to Vice President of ADB Xiaoyu Zhao and Director General Juan Marinda at the PM House, the Prime Minister said that his government was focusing on energy, water, roads and infrastructure, which were an engine of growth in any economy.

The Prime Minister said that his government had constituted a high-powered committee led by the Finance Minister to seek the solution of unscheduled loadshedding in the country.

He underlined the government's commitment to maintain financial discipline, reduce fiscal deficit, mobilize domestic resources and pursue high growth strategy.

Gilani called upon the ADB to finance the mega project of Bhasha Dam, which would solve the country's chronic energy crisis and also provide sufficient water to the agriculture sector that holds key to food security.

The Prime Minister also emphasized ADB's support for construction of Motorway from Karachi to Faisalabad. The connectivity of Gwadar with Ratodero will link it with Karachi and Faisalabad, which is the hub of textile industry.

The ADB Vice President assured the Prime Minister that the ADB was committed to work with the Government of Pakistan.

The Prime Minister sought ADB's support for construction of roads through Central Asia Regional Cooperation (CAREC) funds for integrating Pakistan with Central Asia.

It may be mentioned here that Pakistan has become 10th member of this organization. The connectivity as planned under its umbrella will revolutionize trade among the countries by providing trade corridor including enhancement of people-to-people contacts among the member countries.



Finance Minister Dr. Abdul Hafeez Shaikh, Minister for Water and Power Syed Naveed Qamar and senior officials of the relevant ministries were also present in the meeting.

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DATED: 21st August, 2011

Two ships with 54,506 tonnes of urea due at PQ, Gwadar

KARACHI: Two ships MV "IOANTHI" carrying 19,506 metric tons and MV "Hyderabad" carrying 35,000 metric tons imported urea are scheduled to reach Port Qasim and Gwadar Port on Monday and second on 27th, respectively.

The shipment arriving by MV "IOANTHI" relates to TCP's Tender awarded to Multicommerce LLC USA.

Whereas, the other vessel MV "Hyderabad" is carrying Urea being supplied by Saudi Basic Industries Corporation (SABIC), under a Saudi Fund for Development credit facility, according to a spokesman of Trading Corporation of Pakistan (TCP) here on Sunday.

This quantity is in addition to the 50,000 MT urea already supplied by SABIC during July, 2011 under the same arrangement.

The total quantity of urea imported by TCP for Kharif 2011, so far, works out to about 180,000 Metric Tons.

In addition to above, under the special instructions of the government, TCP has issued another tender for immediate import of 150,000 MT Urea which is scheduled to open on Monday, the 22nd August, 2011 requiring shipments at early dates.

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DATED: 17th August, 2011

The PPP-led coalition government has asked the party's Balochistan chapter to hold talks with all political groups and decided to strengthen paramilitary forces for the fight against insurgents.

President Asif Ali Zardari conveyed the government's decision to the Balochistan government at a high-level meeting at the Presidency on Tuesday. Prime Minister Yousuf Raza Gilani, Inter Services Intelligence (ISI) Director General and Intelligence Bureau (IB) Director General also attended the meeting. "President Zardari took a serious note of increasing incidents of killings and arson attacks in Balochistan and directed the provincial government and security forces to make parallel efforts to restore peace in Balochistan," his spokesman Farhatullah Babar said. "The provincial government will hold talks with all political parties and other stakeholders while the federal government will strengthen FC and Levies to maintain law and order," the spokesman said. It has been learnt that paramilitary forces will be equipped with more weapons and vehicles in Balochistan and fresh recruitments will be made. The meeting reviewed development projects in Balochistan and called for expediting early completion of mega developmental projects in Balochistan to provide jobs and opportunities to people and to bring the province on a par with the rest of the country by addressing the sense of deprivation among its people. Mr Babar said four separate presentations each were given by Dr Nadeemul Haq, the Deputy Chairman of Planning Commission; Mir Ahmad Baksh Lehri, Chief Secretary of Balochistan; Mr Muhammad Ali Gardezi, Chairman of NHA; and Mr Shakil Durani,



Chairman of Wapda, on development projects in infrastructure, transport & communication system, water sector projects, including small and medium dams, and other projects under construction under the Aghaz Huqooq-i-Balochistan. The meeting was informed that out of 1,180 ongoing projects being executed through the PSDP for current year (2011-12) in the country, 133 projects with an outlay of Rs305 billion were being executed in Balochistan alone. A sum of Rs126 billion has already been spent on these projects up to June, 2011, and an additional allocation of Rs28 billion has been made during the current year for federal projects in Balochistan out of the PSDP. The meeting was also informed about various schemes and projects being implemented in Balochistan as part of the Aghaz Huqooq-i-Balochistan, including Dera Bugti development package, Quetta development package, Kohlu development package, Sui development package and other development schemes. Imtiaz Kazi, the Secretary of Water & Power and Mr Shakil Durrani, Chairman of Wapda, gave a presentation on water sector projects, informing the meeting that 23 water sector projects were being financed, including small dams costing over Rs111 billion. Over Rs10 billion has been allocated during the current financial year for the projects.

The Wapda chairman said that two projects — Mirani Dam and Sabakzai Dam — had already been completed at a total cost of nearly eight billion rupees. The Mirani dam has a storage capacity of 0.152 MAF with irrigated area of 33,200 acres while Sabakzai Dam has a capacity to store 0.015 MAF and irrigated area of 6,875 acres. Mr Durrani informed the meeting that almost 60 per cent of work had been completed on Kachhi Canal water project, which would irrigate about 102,000 acres in the first phase and over 700,000 acres in the second phase. The president ordered that the Kachhi project be completed on priority basis. The meeting was informed that RBOD-III, a drainage project, would be completed by June next year at an estimated cost of nearly Rs4.5 billion and the project would benefit an area of over 287,000 acres. The Wapda chairman briefed the meeting on small and medium dams projects in Balochistan. The dams include Naulong Dam, Winder Dam, Hingol Dam, Pelar Dam, Garuk Dam and Hub Dam. The NHA chairman briefed the meeting about highways, airports and infrastructure development projects, saying that Rs8.5 billion had been allocated for 17 road projects in the province.

He said the airport in Gwadar was financed as a special case by the federal government through the PSDP, adding that Rs1.5 billion had been paid for land acquisition and during the current financial, Rs1.1 billion had been allocated for the port. The President said that future of the country was dependent on the Gwadar Port and called for its early completion. Mr Zardari called for establishment of colleges in Khuzdar and Loralai besides providing funding for Turbat and Loralai universities.

BUSINESS RECORDER

DATED: 13th August, 2011

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Pakistan wants to develop Gwadar port further: Masood Khan

BEIJING: Pakistan wants to develop Gwadar port further and will welcome the Chinese role in the future, as it is the gateway to the Middle East and Indian Ocean economies, said Ambassador Masood Khan.

"China has already built the Gwadar port. We, of course, want to develop it further. We will welcome a role by China in the future," said Islamabad envoy to Beijing while talking to some correspondents here.

"Though important in itself, development of Gwadar port will not be enough. We need to develop supporting transport (rail, road, air) and communication networks", Khan said.

In this regard too, Ambassador Khan said, China is playing an important role. Naturally, when this network develops and is fully operational from Gwadar to Khunjerab to Urumqi to Beijing to Shanghai, it will give alternative choices to



China for its trade with the Middle East and Europe. This alternative route would be much shorter than the one passing through the Malacca Straits. Khan has said that Pakistan and China's common goal is to see South Asia become a prosperous region. "Pakistan and China are neighbours, good friends and partners. We also call ourselves good brothers. Our two countries have common interests. Both want peace and stability in the region. Both want this region to prosper," he said.

Masood Khan said that China is Pakistan's largest neighbour. Over the last six decades, we have maintained steady and strong relations. "China has given strong support to Pakistan's defense, economic and trade sectors. We are looking for more Chinese investment in Pakistan," he observed. A new regional security architecture, influenced by the Shanghai Cooperation Organization (SCO), is emerging in which China is the most important country, he said. Besides, he noted that traditionally Pakistan and China have collaborated closely in the UN and multilateral forums. "We support each other on such issues as UN reform, disarmament, climate change, food security, and international financial matters," he said. Pakistan is an important country at the crossroads of Central, South and West Asia.

He pointed out that "We will help China build a bridge to the Middle East and West Europe. We are also a conduit for China to reach out to the Muslim world." Pakistan, Ambassador Khan said, offers a market of 180 million people. Most importantly, China and Pakistan share a common strategic vision for peace and stability. Together, we are fighting the dark forces of terrorism, extremism and separatism. We are succeeding in our fight against terrorism, he added. Ambassador Masood Khan said China is already playing a big role in South Asia. It could play even a bigger role with the passage of time.

To start with, he said, China's trade ties with all South Asian nations are growing rapidly, especially with Pakistan, India, and Bangladesh. Chinese investment flows to the region are substantial, he said, adding that China has worked for peace and stability in the region. China has observer status at the South Asian Association for Regional Cooperation (SAARC). Pakistan and India are observers at the SCO and are aspirants for membership, he said. Ambassador Khan said that "We have always worked for closer ties among Pakistan, China and Afghanistan. This is a shared aspiration of the three nations."

China, he said, has worked on development projects in Afghanistan and thus contributed to its reconstruction. The scope for more development projects is immense. He pointed out that cooperation between these three nations will not be at the expense of Afghanistan's relations with other countries, such as the United States. It is not zero sum cooperation; nor will the nature of the cooperation be similar. He mentioned that Pakistan and China are cooperating in a full range of sectors including energy, telecommunications, industry, agriculture, infrastructure.

"China's top brands are already in Pakistan. We are working on enhanced and assured inflows of Chinese investment in Pakistan," he concluded.

DAWN

DATED: 05th August, 2011

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Early completion of Balochistan roads stressed

ISLAMABAD: Progress made in five road projects linking the port city of Gwadar with the rest of the country was reviewed at a meeting here on Thursday.

Finance Minister Abdul Hafeez Shaikh presided over the meeting which was informed that 68 per cent of the work on the 193km M-8 Gwadar-Turbat-Hoshab project had been completed. The project would be ready by Dec 2012.



An allocation of Rs15 million was made for the project under the PSDP.

The 454km N-8 Hoshab-Panjgur-Naag-Basima-Sorab project was recently undertaken at a cost of Rs 1,800 million. It is slated to be ready by June 2014.

The M-8 Hoshab-Awaran-Khuzdar project involving construction of 414km would be initiated in the second phase.

The design of N-30 Basima-Khuzdar project has been completed under which 110km of highway will be constructed at a cost of Rs 4,397 million as approved by Ecnec.

Procurement of supervisory consultants and contractors were in progress.

The M-8 Khuzdar-Shahdadkot highway involving construction of 242 km long highway has shown progress of 73 per cent.

Out of 242 km length, 100km has already been constructed whereas work on the left over sections was in progress.

An amount of Rs6.5 billion will be required for a completion of remaining work.

Mr Shaikh emphasised the importance of the projects for the country's economic prosperity and said the Gwadar port project was vital to uplift desert areas and coastal lines of Balochistan.

Deputy Chairman of the Planning Commission, secretaries of finance, economic affairs division, communication, and planning and development, and high officials of the NHA and the FWO attended the meeting.

BUSINESS RECORDER

DATED: 1st July, 2011

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Pakistan-China Business Forum to help expand land trade: Masood

KASHGAR: The Pakistan-China Business Forum was held here aimed at to further enhancing economic integration with emphasis on broadening border trade between the two countries.

The Forum was largely attended including Commissioner Kashgar Prefecture former Senator and Pakistan Ambassador to China Akram Zaki, Chief Executive Trade Development Authority of Pakistan (TDPA) Tariq Puri and Vice Commissioner Kashghar Prefecture Wang Yongzhi. "We are so grateful to the Trade Development Authority of Pakistan and the Kashgar Prefecture for organizing this Pakistan-China Business Forum in Kashgar. This city has a special place for Pakistanis", said Ambassador Masood Khan in his opening remarks at the Business Forum on the sidelines of the 5-day Kashgar, Central and South Asia Commodity Fair kicked off on Tuesday. He said "Today, in this seminar key departments of the Kashgar Prefecture Administration dealing with port management, foreign trade, customs, transit traffic, taxation, banking, and foreign affairs are present.

"So are CCPIT and Chambers of Commerce. There is enthusiastic participation from Pakistan as well. As we see delegations of TDAP, FPCCI, Pakistan-China Business and Investment Council, Institute of Policy Studies, Islamabad Stock Exchange and Pakistani businessmen attending this forum". He said although the trade between the two countries is growing, however the border trade between Pakistan and China is a small fraction of the overall volume. He said that even before the formation of the Attabad Lake, the Karakorum Highway was not in a good shape and



that is why it was being repaired and upgraded. "The Attabad Lake disaster has further reduced this trade. We should therefore continue to take remedial measures. Our border trade consists of basic commodities." "We have a grand vision for creating multiple, trade-transport -energy corridors between Pakistan and China so that this region can be connected to South, West and Central Asia. But, first thing first. We must drain the lake and realign the road", he noted.

He said "We welcome the Chinese Government's policy of Western development under which Kashgar is being built as the Shenzhen of this region. Kashgar is so near the border of Pakistan; in an hour's time, one can fly from Islamabad to Kashgar. Therefore, Pakistan is the most natural and willing participant in this enterprise".

Pakistan, he said too has its own vision of bilateral and regional connectivity which fits into Chinese plans.

"We believe that enhanced road and air links between Pakistan and China, construction of a railroad and fibre optic link, and establishment of oil and gas pipelines will lead to the revival of the Silk Road," the Ambassador noted. A prefeasibility for a 411 mile rail link between Pakistan's town of Havelian and Khunjerab at a cost of US \$ 10 billion has already been done. In December last year, Rayyan Air, a Pakistani charter airline, inaugurated the first Islamabad-Kashgar 90 minute cargo flight. This sets a new trend for shipment of cargo between Pakistan and China through this region. The commodities shipped by air are also available to Central Asia, he added. "We are of the view that transit trade of goods and services through Pakistan would greatly reduce logistic costs for its neighbors trading with the Gulf, Africa, Europe and South Asia. The location of Gwadar, which is 240 miles from the state of Hormuz is important for China and Pakistan. The port is ideally situated for receipts, dispatch, processing of crude oil, gas, and LNG for shipment to Southeast Asia and far East," he said.

He pointed out that Chinese trade from Urumqi, through Gwadar and destined for Dubai and London, can save more than 4,300 miles and several days of transit time. The distance from Dubai to Khunjerab is 3,300 miles and from Dubai to Shanghai via the Indian Ocean is 9,000 miles.

While we talk about the grand vision, we have to work on issues that are businessmen from both sides face on day to day basis.

Right now, he said that the Khunjerab Port does not have adequate screening mechanism and customs officers have to check every truck manually.

"We should also set up integrated border management mechanisms. A first step in this direction could be the establishment of passport and visa offices in Kashgar or near the border towns so that businessmen do not have to travel long distances. We should also proactively provide visa facilitation" Ambassador Khan noted.

Again coming back to the broader vision, he said we must work on the concepts of trans-border and trans-regional economic zones so that China's Western Development Strategy benefits its immediate neighbours particularly Pakistan.

The Forum, he said, therefore, is an excellent initiative to create an interface between the traders, investors, and entrepreneurs of China and Pakistan, Kashgar and Pakistan.

Ambassador Khan said, "Pakistan and China enjoy all-weather and time-tested friendship. The sincerity and depth of this relationship can be captured only by poets or poetic imagery because we say that this relationship is higher than mountains, deeper than oceans, stronger than steel, sweeter than honey, and dearer than eyesight.



"Yes, the Karakorum, the Palmir and the Himalayas bind a knot to join us. Rivers also connect us. But our most lasting bond is based on the mutual trust that we have between our two countries".

He said that we have a good architecture and good instruments for economic and trade cooperation. The Free Trade Agreements (FTAs) have been signed that cover goods, services and investment.

The macro-economic indicators are improving but they lagged behind strategic cooperation, he added.

He, however said that since 2002, the bilateral trade has quadrupled to US \$ 8.7 billion last year. He said that the overall year on year growth was 28%, with Pakistani exports increasing by 30% and Chinese exports by 25%. Still Pakistan has a trade deficit of US \$ 6 billion, however a series of measures are being taken to rectify the situation. These measures, Ambassador Khan said include dispatch of Chinese purchase missions to Pakistan, encouragement of Pakistani traders and trade officials to participate in Chinese fairs and exhibitions, consideration of unilateral trade concessions by China for Pakistan, second phase negotiations for further trade liberalization, establishment of trans-border economic zones, and increase in the number of entry points in China for Pakistan's agriculture produce. "We have also requested China for assistance in vocational and technical education in the areas of value added textiles, gems and jewelry, surgical instruments, leather and light engineering" he said adding to promote Chinese private sector in Pakistan, "we have also proposed that the Chinese banks, particularly the China EXIM Bank may accept normal commercial guarantees instead of sovereign guarantees. Under the next five year plan, we have identified 36 projects which cover education, health care, water conservancy, agriculture, transport, energy, and environment".

He further said that all top corporate Chinese brands have gained experience and exposure in Pakistani market. Pakistan is familiar with the names of China Mobile, Huawei, ZTE, China Harbour, China Construction, Three Gorges, Gezhouba, and Sinohydro.

But there are scores of others who are there in Pakistani market or are keen to enter into it. Today, there are 13,000 Chinese working in 120 enterprises, he noted. These are good news, he said "but we need to work much, much harder to realize the full potential of Pakistan-China economic cooperation, which is immense by any standard".

BUSINESS RECORDER

DATED: 4th June, 2011

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Federal government earmarks Rs744.343mn for Ports & Shipping

ISLAMABAD: The federal government has allocated Rs744.343 million for various projects of the Ministry of Ports and Shipping in the Public Sector Development Programme (PSDP) 2011- 12.

The allocated amount will be spent on the three on-going projects of the Ministry.

Some Rs27 million have been earmarked for Gwadar Port Civic Center, Gwadar, Rs700 million for construction of Eastbay Expressway to link Gwadar Port with national road link and Rs17.343 million for the stock assessment survey programme in EEZ of Pakistan through chartering of fisheries research vessel and capacity building of MFD, Karachi (Ports and Shipping).



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DATED: 31st May, 2011

Rs. 40072.265mn allocated for Communications Division

ISLAMABAD: The Government of Pakistan in Public Sector Development Programme (PSDP) has allocated Rs40072.265 million for ongoing and new projects of Ministry of Communications in the country.

According to a budgetary document issued on Friday, out of this amount Rs6268.351 million is foreign component while Rs33803.914 million are in local currency, Rs171.999 million have been earmarked for various ongoing projects of Ministry of Communications while Rs39900.266 million have been allocated for National Highway Authority (NHA). Out of this amount Rs35625.266 million have been allocated for ongoing projects of NHA while Rs4275.000 million have been earmarked for new NHA projects.

Similarly Rs1000.000 million have been allocated for Islamabad-Peshawar Motorway project while **Rs. 1500.000 million have been allocated for Gwadar-Turbat-Hoshab section of Gwadar-Ratodero section of Motorway-8.**

Rs 1200.000 million have been allocated for Khori-Quba Saeed Khan section of Khuzdar-Ratodero Road. For Widening and improvement of Hoshab-Nag-Basima-Surab road N-85, Rs1800.000 million have been allocated.

In the PSDP, Rs1500.000 million have been earmarked for VI Package of Motorway-4 while a similar amount has been allocated for Khanewal-Multan Inter District Road project.

Similarly Rs1150.000 million have been allocated for Rehabilitation of NHA highways network damaged by unprecedented monsoon rains and flash floods in 2010.

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DATED: 29th May, 2011

Russia to invest in steel, banking sectors

ISLAMABAD: Chairman Investment Board Saleem H Mandviwala said on Saturday that Pakistan is going to resume bilateral trade and investment with Russia after a long gap of 30 years.

This is a very big initiative of the present government which would help improve the relations between the two countries, he said.

"Russian government will invest in different sectors including steel and banking in the next coming months," Chairman Investment Board said this while talking to Pakistan Television (PTV).

He said Russian investment in banking sector of Pakistan would start soon, while negotiation on Steel Mill was in progress.

Mandviwala said that Russia was a big investor of the region and its leadership is willing to invest in Pakistan's top zones.

This is a positive gesture of Russian government for this region, he added.



To increase the activities at Gwadar Port, he said the railway and road communication was very important.

The chairman said that foreign investment ratio in the country has increased by two percent during the last two years and efforts were being made to further raise this ratio in days ahead.

He said the Investment Board was going to launch online visa service next month for foreign investors. Mandviwala said that a special protocol was being given to those who were willing to get Pakistani visas for investment and business purpose in the country.

BUSINESS RECORDER
DATED: 26th May, 2011

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ECNEC approves 53 projects worth Rs 478bn

ISLAMABAD: The Executive Committee of the National Economic Council (ECNEC) here on Thursday approved 53 projects costing over Rs.478 billion, including the foreign exchange component of Rs.172 billion.

The Committee met here Thursday under the chairmanship of Finance Minister Dr. Abdul Hafeez Shaikh.

The meeting was attended by Naveed Qamar Federal Minister for Water and Power, Dr. Asim Hussain, Federal Minister for Petroleum and Natural Resources, Federal Minister for Privatization, Federal Minister for Production, Ms. Hina Rabbani Khar Minister of State for Finance, Economic Affairs and Foreign Affairs and Dr. Nadeem-ul-Haque, Deputy Chairman of Planning Commission. Provincial Minister for Finance Sindh, Federal Secretaries and representatives from Sindh, Balochistan, Punjab, KPK, Gilgit-Baltistan, Azad Kashmir, and representatives of sponsoring agencies also attended the meeting. The meeting approved 15 foreign funded projects worth Rs.165.5 billion including the foreign exchange component of Rs.117 billion. Seven Flood Rehabilitation Projects worth Rs.64.5 billion including the foreign exchange component of Rs. 28 billion were also approved by the Committee.

Thirty one (31) projects including transport and communications, water and power, health education, industries and commerce were among the Fifty Three (53) approved projects by the ECNEC. The approved projects include Rs. 2,091.4 million including Rs.34.0 million FEC for feasibility study, detailed engineering design and preparation of tender documents for Bunji dam (Revised). Twenty Two (22) projects of transport and communication sector were also approved comprising the Construction of Northern Bypass from Qasim Bela to Shershah Road Multan Bypass including Grade Separated Elevated bridge over railway line 7 N-70 (length 12.229 km-Phase-III).

The Construction of 2-Lane Bridge over River Indus at Khushal Garh, District Kohat, Rehabilitation of NGHAs highways Network damaged due to un-Precedent Moonsoon rain and Floods, 2010 was also approved. Gwadar Deep Water Port Project-Phase-I (2nd Revised), Installation of Ship Lift and Transfer System and associated machinery and Equipment to provide Docking and repair facilities to Surface Ships, Submarines and Commercial Vessels (Revised) were also approved by the ECNEC. It also approved the Construction of Northern Bypass from Bosan road to Qasim Bela Multan including approach road from Northern Bypass to Multan Airport via Jameelabad Chowk Multan (length 16.05 km Phase-II).

Two projects of health sector worth Rs.26,983 million including Rs.14,195 million F.E.C comprising Medical Equipment and Ambulances for DHQ Hospitals in Khyber Pakhtunkhwa (KPK) and Expanded Program on Immunization (EPI) (Revised) were also approved. Other important approved projects were up-gradation and



additional works of Expo Centre, Lahore, Establishment of Turbines and Power Plants Equipment Manufacturing Facility at heavy Mechanical Complex, Taxila, Kala Dhaka Area development Project (Revised) were also approved. The ECNEC also approved Umbrella PC-I for Sindh Flood Emergency Reconstruction Project for bunds and Canals (2010), 76 Nos Emergent Flooded protection Schemes, Restoration of Canals/ Structures Damages and Restoration of Drains/ structure Damages.

Secretary Planning and Development Division, Sohail Ahmed briefed the meeting about the need for rationalizing the portfolio in line with resource availability. He also emphasized the need for a balance between new and ongoing projects, and the optimization of available resources. In his concluding remarks, Dr. Abdul Hafeez Shaikh thanked the Planning Commission and all relevant departments for their commitment and dedication in the work and approval of the projects. He also emphasized the need for improving monitoring and evaluation of the projects to ensure transparency and best utilization of national resources for the benefit of the people and economic development of the country.

DAWN

DATED: 22nd May, 2011

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China agrees to run Gwadar port

ISLAMABAD: Defence Minister Chaudhry Ahmed Mukhtar said on Saturday that China had “acceded to Pakistan’s request to take over operations” of the Gwadar port as soon as the agreement with the Singapore Port Authority expired.

The minister, who had accompanied the prime minister during his visit to China, issued a statement to press about the development.

But the statement was silent on an important point: whether China will wait till 2047 for taking over the port. According to the concession agreement between Gwadar Port Authority (GPA) and PSAI-AKD group, signed on Feb 6, 2007, the arrangement will be valid for 40 years.

Under the agreement, the Gwadar Port Authority receives revenues from consortium of PSAI-AKD.

Mr Mukhtar said Pakistan was grateful to the Chinese government for building the Gwadar port. “However, we shall be more grateful to the Chinese if they agree to build naval base at Gwadar.”

Gwadar, the country’s third port after Karachi and Port Qasim, lies on the Arabian Sea. It is 533kms from Karachi and 120kms from the maritime frontier with Iran.

FRIGATES: Ahmad Mukhtar said that during meetings with Chinese officials, he had discussed important strategic and economic matters. “Pakistan requested for frigates of 4,400 tons on credit basis. We also requested the Chinese to train our personnel in running submarines.”

According to Mr Mukhtar, the prime minister also asked his counterpart, Wen Jiabao, to consider inducting the JF-17 Thunder aircraft into the PLA (Peoples Liberation Army) fleet as it would enable Pakistan to sell a large number of the planes to other countries.

The Chinese government had agreed to “our request to equip our air force with FC-20 aircraft”, the minister added.



He also said Islamabad had asked Beijing to convey a message to Washington that “our sovereignty be respected”.

The Chinese government “assured us of help in removing hurdles in the way of Pakistan’s progress”, the defence minister said.

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DATED: 19th May, 2011

EXIM Bank of China to finance Karachi, Faisalabad and Gwadar motorway project

BEIJING: The EXIM Bank of China Thursday expressed its readiness to finance Karachi-Faisalabad-Gwadar Motorway and will soon send a team of experts to Pakistan for a feasibility study of the proposed project.

The assurance came during a meeting between Chairman EXIM Bank Li Ruogu and Prime Minister Syed Yusuf Raza Gilani here.

Gilani said the financing of Karachi-Faisalabad-Gwadar Motorway project by EXIM Bank will be another shining example of the deep rooted Pak-China friendship and cooperation.

The Prime Minister appreciated the financial contribution of the EXIM Bank in major communication, energy and other projects in Pakistan like the Karakorum Highway, Chashma Nuclear Power Project and Saindak Copper and Gold mines.

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DATED: 16th March, 2011

Gilani links multi-faceted Pak-Kyrgyz ties with prosperity

BISHKEK: Prime Minister Syed Yusuf Raza Gilani on Wednesday said Pakistan desires multi-faceted and vibrant ties with Kyrgyzstan for the progress and prosperity of two countries.

In a meeting with Kyrgyz President Roza Otenbayeva at her presidential office White House, the two leaders discussed a whole gamut of issues including bilateral trade, Pak-Kyrgyz strategy on energy and infrastructure, Afghanistan situation, regional and global issues.

Prime Minister Gilani outlined Pakistan's desire to improve bilateral trade with Kyrgyzstan for the benefit of the two nations that also share a commonality of culture and traditions.

He noted with satisfaction that Pakistan's relations with the Central Asian states including Kyrgyzstan were improving. He said the Gwadar deep seaport could serve as a hub of trade for the region and urged the Kyrgyz government to also benefit from such potential.



Gilani said the signing of Joint Declaration with the Kyrgyz prime minister Tuesday would lead to enhancement of trade volume through the establishment of Joint Business Council and more cooperation between the private sectors.

President Otenbayeva said the two countries would begin a new era of bilateral relations through cooperation in diverse fields. She said Kyrgyzstan was mounting efforts for improvement of communication, transportation and road links with Pakistan for access to international markets via the Gwadar port.

She lauded Pakistan's peace efforts in Afghanistan and its support for the reconstruction of war-ravaged country. Gilani congratulated President Otunbayeva for her sagacious leadership in effectively running a parliamentary democracy in Kyrgyzstan.

Other issues pertaining to matters of mutual interests including expansion of bilateral relations came under discussion.

Minister of State for Foreign Affairs Hina Rabbani Khar, Secretary Defence Lt Gen (retd) Syed Athar Ali and President Federation of Pakistan Chamber of Commerce and Industries Senator Ghulam Ali, Ambassador Tanvir Akhtar Khaskheli and Schon Group's Khizar Schon also attended the meeting.

BUSINESS RECORDER
DATED: 12th March, 2011

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Ministry, PTDC urged to invite private sector in tourism promotion

ISLAMABAD: Ministry of Tourism and Pakistan Tourism Development Corporation (PTDC) have been asked to involve private sector and make concerted efforts to revive tourism industry in Swat.

Revival of tourism in Swat Valley needs government's attention, Muhammad Usman Advocate, Chairman National Assembly Standing Committee on Tourism said during a meeting.

Secretary Tourism Shahid Rashid briefed the meeting that Pakistan Austria Institute of Tourism & Hotel and Tourism Management (PAITHOM) established by the support of Government of Austria at Gulibagh, Swat was partially damaged during militancy.

The Institute is currently in possession of security forces, the secretary said and added a number of requests have been sent to Ministry of Defence and Interior in this regard.

He urged the Committee to support for vacation of PAITHOM and PTDC Motel at Kalam. The Committee supported Tourism Ministry for vacation of its properties in Swat Valley.

Zafarullah Siddiqui, Economic Analyst told that over 1300 students have so far been trained at PAITHOM in Tourism and Hotel Management.

If the training programme is continued, it will be beneficial for Hotel industry of Swat and will create job opportunities for local youth, he informed.



Sareer Mohammad Khan, Managing Director PTDC briefed that besides its motels in Gilgit, Skardu and Chitral, PTDC has developed a number of Motels in the area that include: Astak, Rama Lake, Khaplu, Satpara Lake, Gupis, Phandhar, Mastuj and Booni.

He told that as per instructions of the Committee, token money of land at Masehra has been recovered.

Iftikhar Hussain Satti, General Manager (Hotels) PTDC informed that following the recommendations of the NA Standing Committee on Tourism, PTDC has got its Motel at Khuzdar vacated from the contractor.

However, due to financial constraints and law & order situation, PTDC would offer the Motel to private parties to operate on lease, after completion of codal formalities.

He explained the case of PTDC Daman-e-Koh Restaurant is still in the court and efforts are underway for out-of-court settlement.

With regard to PTDC land at Zaragrandeh (Chitral) he told Peshawar High Court has allowed the corporation to only use it for construction of hotel.

He added that a feasibility report has been prepared for setting up tourist facilities along the Coastal Highway and negotiations with Government of Balochistan are underway for allotment of land at Hangol, Pasni, Jiwani, and Gwadar in lieu of encroached PTDC land at Gaddani Beach.

The meeting was attended by MNAs: Tariq Shabbir, Dr. Talat Mahesar, Dr. Mahesh Kumar Malani, Ms. Surriya Asghar, Shahzada Mohiuddin, Ms. Fiza Junejo, Ms. Saima Akhtar Bharwana, and Malik Shakeel Awan.

DAWN

DATED: 3rd January, 2011

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Gwadar suitable for Afghan transit trade, says CM

QUETTA: Balochistan Chief Minister Nawab Aslam Raisani has said that Afghan transit trade through Gwadar port could boost economic activities in the province.

Talking to reporters here on Sunday, he said the transit trade was imperative for sustainable development of the port.

He said that he had suggested to British officials that fuel should be supplied to NATO troops battling the Taliban in Afghanistan through Gwadar port because doing so would be economical.

Nawab Raisani said the Balochistan government was ready to provide security to NATO vehicles travelling through Gwadar. "The US and NATO have to only invest \$1.5 billion for construction of roads and then they can easily supply fuel to their troops in Afghanistan from Gwadar," he said.

He said the roads had been adversely affected by heavy NATO containers and oil tankers passing through Balochistan.

Regarding the Reko Diq project, Nawab Raisani said when the country could successfully enrich uranium it could also run gold and copper mines.



GoldenPalms (Residential Estate, Gwadar)

GWADAR NEWS UPDATE 2011

He said that he had thoroughly discussed the project with scientist Dr Samar Mubarakmand.

He said that if the Tethyan Copper Company refined 110,000 tons of ore its income would be only \$78 million and if the government of Balochistan refined only 15,000 tons of ore its income would be \$209 million.

Nawab Raisani said that no compromise would be made on the resources of Balochistan and the rights of people.

He reiterated the demand for a new social contract among the federating units to steer the country out of the prevailing political crisis.

“The new social contract under the 1940 Resolution offers solution to all ills of the country,” he said.

He said the demand of the new social contract by political parties was endorsement of his old stance.

He said the federal government had released Rs1.5 billion to the National Highway Authority for the construction of highways in Balochistan to lessen the sufferings of the people.
