

An exclusive interview with **Mian Abrar Ahmad**

**President
Karachi Chamber of Commerce & Industry**

Mian Abrar Ahmed is the President of Karachi Chamber of Commerce and Industry. He is the founder Director of CUCKOO Industries (Pvt.) Ltd. and founder Chief Executive of Ahmad Group (Pvt.) Ltd, Polymers Engineering (Pvt.) Ltd. and Agrilink Food Industries (Pvt.) Ltd. In his capacity as President KCCI he is on the governing boards of many educational institutions.

There is no harm if cost audit is conducted on voluntarily basis to help industry to reduce their cost and to enhance their productivity. KCCI is looking forward to further strengthen professional relationship with ICMAP for the betterment of national economy.

Please tell us something about the history of Karachi Chamber of Commerce and its role in promoting the business and industry in this mega city?

Karachi Chamber of Commerce and Industry is the largest, most viable and vibrant elected platform of business people, representing Karachi, the largest city of Pakistan, financial, industrial and trade hub of the country, contributing about 68 percent revenue to national exchequer. It is also the largest chamber in the region and the 8th largest in the world. KCCI, since its inception in 1959 is greatly contributing towards the economic development of the country. It has clear objectives to enhance, encourage and boost trade especially exports, to promote export culture in Pakistan; to highlight positive and brighter aspects of the country, disseminate first-hand information and knowledge about economy, exports and investment opportunities and potential in the country. KCCI under its dynamic and visionary leadership of Mr. Siraj Kassam Teli, is facilitating the business community in many ways by interacting with various government agencies, departments to resolve problems, difficulties and hindrances faced by business community. KCCI regularly organizes seminars, conferences, workshops and Pakistan pavilions in international fairs and exhibitions to harmonize the trading and industrial activities. KCCI, in order to pursue its vision and mission, extended its activities to global horizon and successfully formed Pakistan-Afghanistan Joint Chamber of Commerce and Industry and Bombay-Karachi Joint Chamber of Commerce and Industry.

Pakistan is today facing innumerable threats and economic challenges. Could you throw some light



on the current economic scenario and our preparedness to meet these challenges?

There is no doubt that Pakistan is facing many challenges like energy crisis, law and order situation, poverty, unemployment etc but fortunately all of these problems are resolvable since Allah Almighty bestowed Pakistan with abundance of natural and mineral resources. There is need to fully explore these untapped resources and translate these into developing viable infrastructure to supply uninterrupted energy to industries to enable them to create job opportunities for Pakistani youths. To resolve the problems and to face the emerging challenges, government needs to put economic development, trade enhancement of Pakistan on top priorities and should come out from political compulsions, take bold steps to focus on dam construction, develop alternate energy, expedite Thar Coal project and give due attention to Balochistan which is rich in natural and mineral resources. Trade not Aid is the viable solution of Pakistan's problems. Tax to GDP ratio has to be enhanced by bringing untapped sectors into tax net as current tax burden is on trade and industry. Government should constrain its unchecked borrowings and introduce austerity measures as it is the need of time, even advanced and highly developed countries are doing this. Besides controlling government's unproductive expenditure, education and social development should be focused and PSDP be enhanced upto desire level. Export culture need to be introduced in the country and every political party should come out with its economic agenda, development projects and next election should be fought on these lines.

The trader and businessmen of Karachi are doing business in an un-conductive and fearful environment, marked by persistent blood shedding and killings, violence, strike calls, extortions of

money, decoities, robberies, kidnappings for ransom etc. Being the representative body of Karachi businessmen, what is the role of the Karachi Chamber in mitigating these fears and improving the situation?

The business community of Karachi is very bold, courageous and highly patriotic and is showing great resilience to these barriers. We have demanded the government to issue arm licenses to business community to enable them to protect their lives and properties from extortionists and dacoits. Karachi Chamber of Commerce is bold and strong voice of Karachi's business community and we raised our voice at every forum and communicated our concerns to people at the helm of affairs. KCCI with the help of concerned authorities formed: Chamber Police liaison Committee, Chamber Rangers Liaison committee to check and control anti social elements and to provide a sense of protection to the business community.

Do you think that the international investors would be willing to make investments in Karachi in view of the current law and order situation, which is getting from bad to worse with every passing day?

Although there are many problems and the government should have to focus and resolve them. However, things are not as bad as it appears. There are about 100 UK, 40 US, 20 Swiss and many other companies who are successfully operating in Pakistan. Pakistan is an importantly of US in war against terrorism and due to this role we are facing enormous problems, besides sacrificing the lives of 40,000 civilian and 5500 armed forces personnel, our economy suffered a huge loss of US\$ 70 billion. International community must compensate Pakistan in investing here and providing fair access to their markets. There is need to depict positive picture of Pakistan and we believe there are a lot of positive aspects which are out of sight due to propoganda drumbeat of western and Indian media. Once we receive foreign investment and fair access to western and US markets, we would be able to fight the poverty, which is the root cause of extremism. There are indications that war against terror is going to end and peace negotiations are expected to get success, then we hope there will be huge investments in Pakistan which is rich in mineral and natural resources and offers investment opportunities in various sectors.

You often lead business delegations to foreign countries .Could you tell us about the perception of Pakistan in the eyes of foreign buyers and investors? How you convince them to do business with business?

Recently a high level delegation of KCCI visited USA, headed by me. As I told earlier, due to western and Indian media's drumbeat propoganda, perception about Pakistan is not good. There are many facts which are either deliberately concealed from the people or unintentionally wrong information is forwarded to them. We tell them that Pakistan is a different country from what they perceive from the media, and there is a lot of positive aspects and things which are not as bad as propagated in media. There are about 100 UK, 40 US, 21 Swiss and many other multinational companies which are successfully operating in Pakistan and earning handsome amount. We have shown them the other side of the coin, the success stories of Pakistan and by the grace of Almighty Allah, many of them changed their opinion about Pakistan and we have signed many MoUs with various organizations. Similarly I visited Czech Republic and addressed at its Parliament and there too, I presented Pakistani case successfully and in reciprocate a high level Czech republic business persons delegation visited Pakistan and signed No of MoUs with Karachi chamber. We are in process of forming Prague Karachi joint chamber which would be another milestone in KCCI's efforts to boost trade ties with friendly countries. I sincerely believe that if collective efforts

are made by business community, embassies, consulates, overseas Pakistanis, intellectuals, Pakistani think tanks, media by highlighting positive aspects of Pakistan, negative propoganda can be countered effectively. I am quite sure that sincere and consistent efforts will bring positive results, and Insha Allah, we will see more investment here in coming years. Besides, we must make serious efforts to correct things at our home. Law and order situation, definitely, has to be improved, specially extortionists must be curbed and forceful closure of business and

markets, threatening business people must be treated as national crimes and there should be zero tolerance against it. Energy Crisis must be addressed properly and every effort should be done to provide uninterrupted electricity and gas to industry to enable them to smoothly run their business. These steps would pave the way for encouraging foreign as well as local investment.

The power and gas load shedding are inflicting heavy losses to the industries in Karachi in shape of production losses, meeting short of export shipment dead lines etc. How the Karachi Chamber is working with the government to provide some relief to the industries?

Uninterrupted supply of electricity is vital for substantial economic and industrial growth. Energy crisis is a major hindrance in economic development of Pakistan. This crisis is consuming 2.5% of national GDP. Had only this problem been resolved, there would have been consistency in economic



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growth at par with other regional countries. Due to energy crisis, the economy suffers a huge loss of about Rs.380 billion annually, besides huge unemployment, delay in shipment, loss of production, productivity and also has psychologically negative effects on staff and workers. Besides higher prices of electricity enhancing cost of doing business. Therefore this crisis must be addressed properly and to be resolved on war footings. We have to enhance our share in hydel power generation, alternate energy ways has to be adopted including wind, solar, bio-gas and other ways including nuclear energy etc. Pakistan Iran gas pipe line project has to be completed without further delay. Nothing is more important than our national interests. Construction of dams no doubt is the matter of life and death for our economy. The coal project needs to be completed on priority basis. We have right to use nuclear energy for peaceful means and for our economic development. There are about 7 industrial Zones having 17,000 industrial units besides 360 markets in Karachi. All are worst sufferers of load shedding. Govt must resolve the circular debt issue and introduce reforms in PSEs.

The persistent rising inflation, especially of essential commodities, has made the life of common men miserable. Do you agree with this?

Due to high cost of energy, raw material and other inputs it is difficult for business community to reduce prices, however if government provides level playing field to business community by reducing energy prices, lowering interest rates, reducing sales tax to single digit, this will enable businesses to be

competitive and definitely they will pass on the benefit to the masses, besides generating job opportunities for youths.

It has been made mandatory by law for the cement, sugar, ghee and oil and fertilizer industries to conduct cost audit, which is in fact for their own benefit to minimize cost of production. Do you think that cost audit should be conducted for other industries as well and how can ICMAP and KCCI work together for this cause.

There is no harm if cost audit is conducted on voluntarily basis to help industry to reduce their cost and to enhance their productivity.

Anything you would like to share with our readers.

Be honest, have commitment to your profession, pursue excellence and be patriotic and loyal to your country. There is no short cut, and hard working always pays the reward. The youths of Pakistan can transform the country into a developed and modern state. I have faith that Inshah Allah, Pakistan will overcome its problems and it will rise at the horizon of world as a modern, progressive and developed country.

The interview ended with a vote of thanks to Mian Abrar Ahmad, President, Karachi Chamber of Commerce & Industry, a renowned businessman who spared valuable time to share his candid views – Editor.

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