

An exclusive interview with
Mr. Shahid Jawed Qureshi

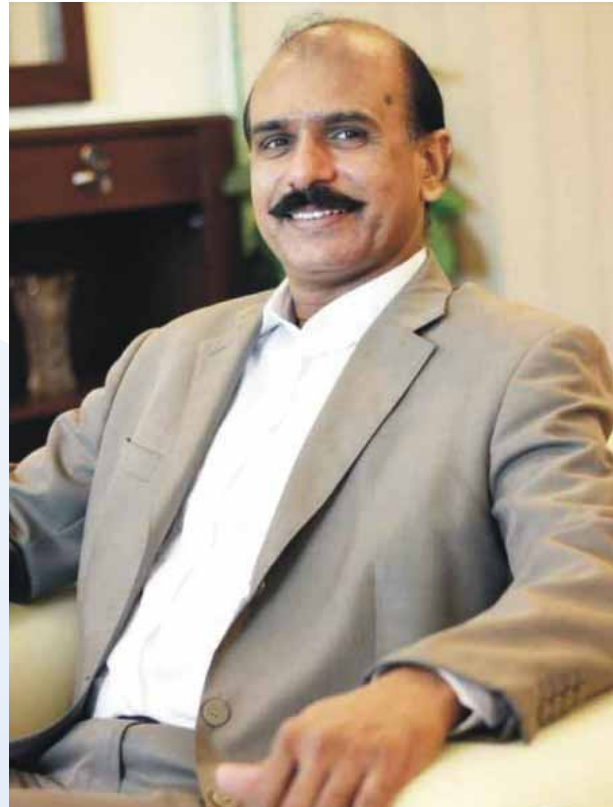
former Vice Chairman, Korangi Association of Trade and Industry (KATI);
 Founder & President, Pakistan-Malaysia Friendship Association;
 Member Managing Committee, Karachi Chamber of Commerce and Chief Executive, M/s. Shahbaz International

Could you provide a brief sketch of your life and how you started your business career?

I entered the practical business field soon after completing my M.A. in Economics. During my initial career, I gained useful experience in this field which encouraged me to establish a company, M/s. Shahbaz International, and became its Chief Executive. This company is a general trading company dealing in export and import of different items, especially export of textiles. In addition to my business, I have also remained associated with different Chambers of Commerce and trade bodies in various capacities. I served as Chairman, Senior Vice Chairman and Vice Chairman respectively of the Standing Committee on Communications as well as Public Utilities Committee of the Federation of Pakistan Chambers of Commerce and Industry (FPCCI). I was also Chairman of Public Relations as well as Public Utilities Committees of Pakistan Hardware Association (PHMA). Currently I am Chairmen of Internal Trade Control Committee of FPCCI and Telecommunications Committee of Korangi Association of Trade and Industry (KATI).

You are an active member of the Korangi Association of Trade and Industry (KATI) and also served as its Vice Chairman last year? Would you like to share with us about the role of KATI and its achievements?

Korangi Industrial Area (KIA) is one of the largest industrial estates of Pakistan and has played a vital role in contributing revenue to the national exchequer as well as creating employment opportunities. It was established in mid 1960s and became operational in 1970. Spread over an area of 8500 acres, the industrial estate houses around 4500 industrial, commercial and service concerns and provides employment to about 0.3 million working people of Karachi. The main industries located in KIA include textile, jute, wool, leather, steel, pharmaceutical, automobile, chemical, engineering, rubber, paints, petroleum, food and flour mills, which overall contribute revenue of more than Rs. 270 million on daily



Mr. Shahid Jawed Qureshi, former Vice Chairman of Korangi Association of Trade and Industry (KATI) is a well-known figure in the business and social circles of Karachi. Currently, he is the President of Pakistan Malaysia Friendship Association (PMFA) and Managing Committee member of Karachi Chamber of Commerce and Industry (KCCI). He is also Chairman of Standing Committee on Internal Trade Control Committee of FPCCI and Chairman of Telecommunications Committee of Korangi Association of Trade and Industry (KATI).

basis. Most of the units established in KIA have numerous international certifications. It is a fact that around 40 percent of leather exports of Pakistan are routed from Korangi Industrial area. Similarly, more than 70% of crude oil used all over Pakistan is refined in the two refineries of KIA. The pace at which new industries are being set-up in KIA is unmatched by any other industrial estate of Sindh.

What are your views about the current state of economy of the country, especially in the context of measures taken by the present government to restore confidence of the business community?

The current state of Pakistan's economy cannot be termed as sound and stable and let me say that despite steps taken for economic revival by the present government, the economic performance is well below its potential. The economic growth achieved during 2012-2013 was just 3.7 percent, which is not so impressive. Our tax to GDP ratio is also one of the lowest in the world. Government's reliance on excessive currency note printing is still continuing which is leading to inflationary pressure in the markets. All of these factors indicate a downslide in economic performance. The Finance Minister Mr. Ishaq Dar, however, claims that GDP growth was 5.1% during 1st quarter (July-Sep) of FY 2013-2014, which exceeded overall growth rate of 3% during previous regime. The Prime Minister has also hoped that 7% growth target would be achieved by next four years. The business community looks forward to see how the government resolves its grievances, especially related to power and gas shortage, and implements its policies to speed up the economic growth.

The export-oriented industries are facing great difficulties in competing in international markets. What are its main reasons and how the government can play a role in enhancing exports of the country?

The main problem faced by trading companies is to get export orders, as foreign buyers are much reluctant to place new orders in view of deteriorating security situation in our country. Secondly, the acute power and gas crisis have also disturbed the shipment schedules, which creates bad impression in the eyes of foreign buyers. Despite all the odds, the exporting firms are managing all these problems and earning valuable foreign exchange for the country. The government's export strategy should focus on reducing cost of doing business, increasing market access, export diversification, technology and skills up-gradation and value addition. The government need to improve the law and order situation and resolve the energy crisis on war footing basis as these

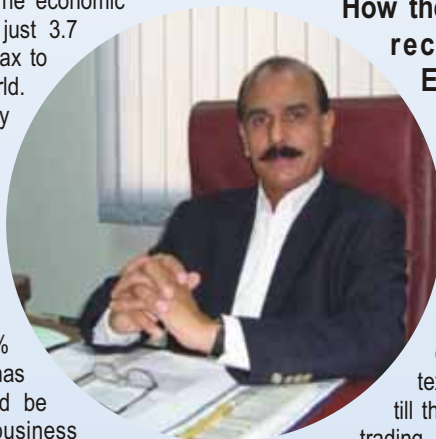
Current Positions of Mr. Shahid Jawed Qureshi

President	Pakistan-Malaysia Friendship Association (PMFA)
Member	Managing Committee of Karachi Chamber of Commerce and Industry (KCCI)
Chairman	Standing Committee on Internal Trade Control of Federation of Pakistan Chambers of Commerce and Industry (FPCCI)
Chairman	Telecommunications Standing Committee of Korangi Association of Trade and Industry (KATI)
Chief Executive	Shahbaz International
Managing Partner	S.F. Corporation

Past Positions of Mr. Shahid Jawed Qureshi

Vice Chairman	Korangi Association of Trade and Industry (KATI)
Chairman	Standing Committee on Communications of FPCCI
Chairman	Public Relations Committee of Pakistan Hardware Merchants Association (PHMA)
Chairman	Public Utilities Committee of Pakistan Hardware Merchants Association (PHMA)

are hampering our exports. It should announce a special incentive package to encourage setting up of new export-oriented industries, that would help create new jobs and also supplement exports. Special focus needs to be given to push up development of SMEs so that they could come into the main stream. The government should make the Trade Development Authority (TDAP) an effective organization so that it can help the exporters in international branding of their products.



How the business community sees the recent announcement by the European Union (EU) to grant duty free access to Pakistani textile made-ups under GSP Plus Scheme? What benefits our trade can get from it?

The grant of GSP plus status to Pakistan by the European Parliament is really a tremendous achievement that would provide duty free access of our exports, especially textiles and clothing, to 27 European countries till the year 2017. This would also improve our trading relations with the EU countries and give impetus to export-led economic growth. However, the government should immediately resolve the energy shortage faced by the textile sector so that it could operate with full force to tap this opportunity of EU GSP Plus status.

The government deployed Rangers in the Industrial Estates, including Korangi Industrial Area, to arrest the rising incidents of robbery, money extortions, kidnappings of businessmen etc. Do you think that this initiative has been fruitful and what more can be done to improve law and order situation?

The law and order situation in Korangi Industrial Area has been improved significantly due to the deployment of Sindh Rangers and incidences of kidnapping for ransom, armed robberies and extortions of money have decreased considerably. The Rangers are doing the job efficiently and their role in crime prevention in industrial zones in particular and in the metropolis, in general, need to be commended. I think that the local police in Karachi should be improved as it is their job to control crime and to bring industrial peace which is so vital for the economic growth of the country.

What are your views on the frequent increase in petroleum prices made by the government and how this has hit the trade and industry of our country?

The frequent increase in POL prices has a negative impact on business and industry as well as it also adds to the miseries of common man in shape of inflated prices of essential commodities. During the past few months, the POL prices has been continuously increasing which has had a multiplier affects on daily use items and manufacturing goods. It has also substantially enhanced the cost of doing business. I urge upon the government to take serious steps to check the rising inflation and bring stability in the POL prices by developing a mechanism in consultation with the business community.

You are also the Founder and current President of Pakistan-Malaysian Friendship Association (PMFA). Could you tell us something about this Association; its objectives, role and activities?

Pakistan-Malaysia Friendship Association (PMFA) was established in December 2005 with the objective to strengthen bilateral relationship between the two countries in the field of trade, commerce, industry, tourism, culture, education, health etc; and to provide a platform for the people and business community of both Pakistan and Malaysia to come together and work for mutual benefit. It is a not- for- profit organization having membership from both Pakistan and Malaysia. PMFA major services or activities include the following:

1. Organizing trade events and exhibitions.
2. Organizing seminars, training programs, etc.
3. Exchange of business and investment delegation and visitors.
4. Facilitate Malaysian investors to invest in profitable sectors in Pakistan.
5. Increase interaction and contacts with Malaysian trade organizations.
6. Encourage people-to-people contact and cultural relationship between the two countries.

Could you briefly inform our readers about the Malaysian investments in Pakistan. Is there any possibility for Malaysian collaboration with Pakistan in the field of education and professional training?

Investment plays an important role in the progress of any developing economy. It is a major source of capital and also a major channel for access to advanced technologies. The Malaysian entrepreneurs have great potential for investment in Pakistan in the areas of agriculture, construction, livestock and dairy, energy, education, IT and the Halal industry sectors. Already, many Malaysian firms are operating in Pakistan in infrastructure, housing development, highway construction, palm oil, power generation, financial services and telecommunication sectors. There is also good scope for cooperation in education and professional fields as well and PMFA would always be available to help the ICMA and other professional institutes of Pakistan in getting it connected with their counterparts in Malaysia for mutual benefit.



As Chairman of Communications Committees of KATI and FPCCI, you have played a vital role in resolving the problems faced by the trade and industry with the PTCL. Can you shed some light on the role of telecommunications technology in growth of business and industry?

I have been associated with the telecommunications and PTCL Committees in FPCCI and am the current Chairman of this Committee in Korangi Association of Trade and Industry. In this capacity, I have been engaged in taking up and resolving the telephone-related issues of the business community with the PTCL, who have always been very cooperative. This Committee holds regular meetings with the PTCL officials where the problems of the trade and industry are discussed and decisions taken for their immediate resolution.

As far as telecommunications technology is concerned, let me say that PTCL is not just a phone-service company but it has made some good investments in this sector by introducing most modern telecommunications services that have helped in business promotion and growth. The telecommunications sector will continue to play a vital role in trade and industry in Pakistan.

What message you would like to give to ICMA Pakistan, especially in the context of importance of academia-industry relationship?

I have a strong belief that the Pakistani students are the most precious asset and ray of hope for the salvation of our country from the clutches of ignorance, poverty and other economic ills. My message to the students of ICMA Pakistan would be that they should come forward to play a vital role for building this country as per the aspiration of the founder of Pakistan. You should make your utmost to acquire modern professional education and never compromise on professionalism, ethics and integrity which are the hall mark of success. I also think that ICMA should establish a good rapport with the business community and make research on issues that confronts the trade and industry.

The interview ended with a vote of thanks to Mr. Shahid Jawed Qureshi, former Vice Chairman, Korangi Association of Trade and Industry (KATI); Founder & President, Pakistan-Malaysia Friendship Association; Member Managing Committee, Karachi Chamber of Commerce and Chief Executive, M/s. Shahbaz International who spared his valuable time and gave his candid views exclusively for this journal. – Editor