

Annual Development Programme (ADP) Strategy 2018-2019

Industries, Commerce & Investment Department

Introduction & Background

The Planning & Development Department, Government of the Punjab has introduced a new planning framework that requires each department to produce an ADP strategy paper. The Department of Industries, Commerce & Investment has extensively engaged with all relevant stakeholders and have produced a holistic strategy paper. The paper is based on the overall vision and objectives of the department.

Vision & Mission

The vision of the department is to:

encourage & promote industry including SMEs for sustainable growth, credit facilitation including Micro Financing, facilitation in Trade, Investment & Business, provision of state of the art Industrial infrastructure, availability of Skilled Manpower, Consumer Protection and co-ordination in Price control.

The mission of the department is to:

create economic prosperity by reviving growth of manufacturing industries, strengthening the competitiveness of Punjab's business environment, promoting trade by facilitating development of efficient export supply chain and investment climate that helps catalyse private sector development, and addressing issues related to fair trade.

Objectives

To deliver against its vision and mission the department has set forth the following six (6) key objectives:

1. Promotion of Industry & Investment in the Province
2. Creation of skilled manpower for industry
3. Advocacy and Implementation of Trade & Investment Policies of the Federal/
Provincial Governments
4. Liaison with Private Sector, Trade Bodies and Trade Associations

5. Conduct research and provide Technical Expertise to Private Sector
6. Regulate prices of essential commodities

Implementing Tools & Partners

The department realizes that it must play a lead role in the sector and ensure strong coordination and guidance of all other partners to attain its stated objectives. The key tools that the department has is that of policy, regulation and facilitation. The department sees itself as crafter of private sector development policy, which includes manufacturing as well as some areas of service industry. The department sees as its main responsibility to set a fair and holistic policy in which industry can grow and investment can increase in the province.

However, the implementation of these policies relies on several partners responsible for delivery in the sector – the IC&I Sector. The IC&I Sector in addition to the department includes:

1. Punjab Small Industries Corporation (PSIC)
2. Punjab Board of Investment & Trade (PBIT)
3. Punjab Industrial Estates Management & Development Company (PIEDMC)
4. Faisalabad Industrial Estates Management & Development Company (FIEDMC)
5. Technical Education & Vocational Training Authority (TEVTA)
6. Punjab Vocational Training Council (PVTC)
7. Punjab Skills Development Fund (PSDF)
8. Punjab Board of technical Education
9. Investment Climate Reform Unit (ICRU)
10. Consumer protection Council (CPC)
11. Punjab Printing & Stationary Press
12. Punjab Model Bazaars Management Company (PMBMC)

ADP Strategy Summary

The department over the last six months has been engaged in developing the policy regime for the I,C&I sector. Some of the key policies under development include; (i) Industrial Policy; (ii) Land Lease Policy for the Industrial Estates; (iii) Industrial Estate Development Policy. In addition, the department has been extensively engaged in shaping up the industrial collaboration under the CPEC. This has involved work on

developing an investment policy that makes the province more attractive in comparison to other regional economies and other provinces of the country. The department has also enhanced engagements with local industries as represented through chambers and trade bodies. The main drive here has been to identify key areas that are hampering the ability of businesses to grow in the province. The ADP Strategy for the department stems directly from the policies under development and the feedback from our key stakeholders. The Strategy supports the following outputs/strategic pillars:

1. Improving Punjab's business and investment climate by strengthening its global image and market presence, whilst offering state of the art industrial infrastructure
2. Enhancing productivity, value-addition and making industry more adaptable to technological up-gradation and formation of stronger clusters
3. Building the quality of Human Resource available to the industry
4. Offering soft and hard infrastructure for controlling prices and quality of key commodities
5. Strengthening the coordination in the sector for better policy implementation
6. Streamlining regulations to make it easier for businesses to navigate them
7. Making finance more accessible to businesses

The department has identified relevant partners from the list above who share or lead the responsibility of implementing projects under each of the above seven strategic pillars. The roles and responsibilities identified clearly show where the department must come up with projects/inputs and where it must coordinate for delivery. The matrix provided overleaf provides detailed outputs, activities and proposed projects that the department envisage to implement to attain its objectives.

Annual Development Programme (ADP) Strategy Matrix 2018-2019

Industries, Commerce & Investment Department

						Assumptions
<p>Goal: A more competitive minimum of 1 million</p>	<ol style="list-style-type: none"> Total GPP growth New employment Average growth 	<ol style="list-style-type: none"> Gross Provincial Product Number of new jobs created Change in employment Punjab Economic Report Punjab Competitiveness 	Cost of individual	1. Over 5 year period	1. PSD Core group coordination PSDF, Model Baza	<ol style="list-style-type: none"> Provincial governments commitment to private sector led growth Ability of BOS enhanced to get accurate estimates of GPP and employment Macro-economic conditions remain sufficiently stable to allow growth and development Security conditions do not worsen further
<p>Purpose: To create an enabling provision of sustainable business environment</p>	<ol style="list-style-type: none"> Improved regulation Adequate quality Availability of training Improved investment Better access to 	<ol style="list-style-type: none"> Number of policy/legal Number of critical infrastructure Number of trained workers number of trained workers Statistics on provincial Improved rankings as business Increase in Exports – FDI Value addition as percentage Number of new markets 	Cost of individual	1. Ongoing	<ol style="list-style-type: none"> P&D Department at Stakeholder department PAMCO, ICRU, PERI 	<ol style="list-style-type: none"> Implementation of suggested time bound activities Departments coordinate and are able to implement elements under leadership of C.M. office.
<p>Outputs:</p>						
<p>1. Punjab's business market presence</p>	<ol style="list-style-type: none"> Improvement in Number of characters Number of articles Number of investments Amount (Pak Rupee) Amount (Pak Rupee) Number of characters Number of documents Number of international Number of agencies certification facilities 	<ol style="list-style-type: none"> World Bank published World Bank published Newspaper clippings and Coverage and outcomes MOUs/Agreements and Actual projects initiated Notifications issued by Reports and coverage List produced of all entities 	Costs are listed	<ol style="list-style-type: none"> Every 12 months Every 12 months Every 6 months 	<ol style="list-style-type: none"> PBIT, IC&ID, P&D IC&ID, PBIT, BOS PBIT and IC&ID for ICRU, PERI 	<ol style="list-style-type: none"> Resources made available to PBIT and IC&ID Federal policies conducive to private investment Governments commitment to continue to support PSD policy Global market improvement Private sector willing to invest and comply International laboratories willing to work with local partners Equity markets and financial sector policies are conducive to private investment Punjab private sector can tap into emerging market investors
<p>2. Production, Value of the Private Sector</p>	<ol style="list-style-type: none"> Develop a product Value addition 	<ol style="list-style-type: none"> Development of an industry Production of statistics 	Costs are listed Department of	<ol style="list-style-type: none"> 12 months Repeated 	1. BOS & PERI to work IC&ID to coordinate	<ol style="list-style-type: none"> Resource availability Creation of the Intelligence Unit

			template can be		2.The census of manu	3. Assumes cluster initiatives not based on protectionism and subsidies but on removing public sector bottlenecks, providing public goods or correcting market failures
3.Quality of the H	1.Increase in emp 2.Increase on exp 3.Number of inter 4.Effective user fe	1. Statistics produced 2. Feedback reports pr	Costs are listed	1. Statistic	1. BOS & PERI to v IC&ID.	1. Ability of BOS and PERI to collect reliable data and statistics 2. Creation of ICI&D Intelligence Unit 3. Willingness and resource availability to TEVTA to upgrade the training and skills base of Punjab
4.Implementation	1.Number of mee 2.Number of acti	1. Meeting minutes ar	Costs are listed	1.Every thre	1.IC&ID to coordinate m	1. All participants showing ownership of strategy implementation actions and willing to coordinate with IC&ID 2. Resources being made available to line departments for implementing strategic actions

Actions to Achieve

1. Punjab's business & investment climate improved with global image and market presence strengthened

SDG 17. Target 17.11 (17.11.1)

SDG 9. Target 9.5 (9.5.1), 9.b (9.b.1)

SDG 10. Target 10.b (10.b.1)

1.1 Publish the 1	1. Survey report laur	1. Verification by World Ban 2. Minutes of meeting and n 3. World Bank launch cerem	Minimal	1. By 30.06.201	IC&ID to facilitate ICRU	1. No delay in World Banks team arrival due to security concerns
1.2 Develop dom initiative is publi forums and in gl media to commu climate	1. Articles written	1. Articles published	Publishing costs	1. Ongoing	PBIT to take lead suppor	1. World Bank survey completed on time
1.3 Develop a co developed, shou	1. Brain storming ses	1. Outcomes of the sessions	1. Professional	1. By 31.12.201	PBIT to take lead & IC&ID	1. Timely input from each stakeholder and assumption to reach concuss quickly
1.4 Develop shor leaflets for comm	1. Number of publici 2. Coverage in prom 3. Quality of informat	1. Material developed, appr	1. DVD Rs 0.5 2. Publicity mat	1. Update regul	PBIT to take lead suppor	1. Timely collation of information from all sectors etc and agreement on materials / success stories to be presented
1.5 Develop an ir investments, gov	1. Number of Log Ins 2. Number of hits on	1. Website operational and	1. Web site dev 2. IT Board/Dep	1. Ongoing	PBIT to take lead	1. Timely availability and agreement on the information to be hosted on the website

	3. Feedback on web 4. Frequency of Info					
1.6 Invite interna on Punjab	1. Number of articles	1. Publications	1. One week vis including travel	1. A minimum of	IC&ID to talk to various of	1. International journalists willing to come to Punjab
1.7 Represent Pu UK Trade & Inves	1. Identification of nu 2. Number of confere 3. Number of effectiv 4. Follow up on cont	1. Conference reports 2. Feedback reports 3. Follow up notes/reports, l	1. One Commo – Provinces to r	1. 1 conference	IC&ID & PBIT and also co	1. Relevant events planned and availability of space for Punjab to attend
1.8 Host internat ISBOP an annual	1. Identification of pr 2. Number of events 3. Feedback and foll	1. Event reports and procee 2. Follow up notes, letters e	1. Cost of one e	1. 1 event every	IC&ID & PBIT and also to	1. Identification and willingness of international invitees to attend the event
1.9 Develop linka (and Pakistani D American-Pakist	1. Developing linkag 2. Number of univers 3. Number of studen 4. Number of studen developing contacts	1. Feedback and correspon	1. Some stipenc	1. Ongoing	PBIT and ICRU	1. Universities and alumni being interested in working with the provincial government
1.91 Arrange hig homework done	1. Number of concre 2. Number of agreen agreed; absolute val private sector partne 3. Comparative inde success	1. Tour reports 2. Signed agreements 3. Follow up notes / corresp 4. Published reports of actu	1. One high lev	1. 1 visit every 6	IC&ID / PBIT in coordinat	1. Availability of senior leadership in both regions and identification of priority projects
<u>International Markets</u>						
SDG 17. Target 17.11 (17.11.1)						
SDG 9. Target 9.5 (9.5.1), 9.b (9.b.1)						
1.92 Establish diplomacy on tra	1. Number of contac 2. Market access po 3. Increase in Export 4. Exports into new r	1. Published reports 2. Trade statistics	Part of PBIT rur	1. First report of 31/12/2018	1. PBIT supported by IC& 2. Close coordination with	1. Ability of PBIT to attract suitable professional staff to act as sub-national trade diplomats
1.93 Evaluate eff	1. Comparative inde trade 2. Number of busine approach	1. Published data 2. Survey results	Survey cost Rs.	1. Do initial surv	IC&ID in coordination with	1. Availability of data 2. MOC will to coordinate feedback with provincial government

1.94 Conduct sector information	1. Number of surveys 2. Number of market 3. Number of businesses	1. Survey results 2. Record of businesses used	Part of PBIT run 5 Million	1. Sector head	BOS and PERI with the IC	1. Availability of requisite data 2. Creation of the Intelligence Unit
1.95 Cost sharing presence at important	1. Number of trade shows 2. Criteria developed 2. Number of businesses program and attendees 3. Impact on exports	1. Published data 2. Trade show records and	Will depend on that IC&ID should support private	1. concept to be	IC&ID, PBIT working with	1. Resources being made available and commitment of the government 2. Development of a transparent system
1.96 Inform stakeholders requirements	1. Number of issues 2. Contacts with federal	1. Newsletters, minutes of meetings	Existing budget	1. 1+ newsletter	WTO cell in IC&ID	1. WTO cell fully functional under IC&ID
1.97 Awareness quality marks	1. Number of registered 2. Number of awareness	1. Record register 2. Event reports	Rs 500,000 per	1. 1+ workshop 2. Concept development 3. Action plan	IC&ID and local government	1. Acceptance of domestic consumer to pay for quality products
1.98 Conduct analysis focus on retail and	1. Development of technical	1. Approval of TORs, committees	Cost of study and	1. Concept development engaged by 31. 2. Alternatively wholesale sector	IC&ID	
1.99 Local events	1. Number of events 2. Number of businesses 3. Feedback on events	1. Events coverage and reports	Small events /fe	1. Hold 1 event	IC&ID and local government	1. Resource and capacity availability at IC&ID

Activities to Achieve:

2. Production, Value-addition and adaptability to technological change capability of the Private Sector enhanced

SDG 8. Target 8.2 (8.2.1), 8.3 (8.3.1), 8.6 (8.6.1)

SDG 9. Target 9.2 (9.2.1, 9.2.2), 9.5 (9.5.1), 9.b (9.b.1)

2.1 Establish Model	1. level of certification 2. Number of graduates 3. Absorption of trainees 4. Skills matching and	1. Data on quality of output 2. International certifications	1. Around Rs50	1. Establish one construction.	TEVTA to take lead support	1. PIE is willing to offer free land to TEVTA in their industrial estate to establish a model training centre. The training centre will offer competency based training in construction sector as certified and programmed by UK City & Guilds
2.2 Declare all export with one window	1. Number of clusters	1. Notifications	1. PIE or PSIC	1. Declare all clusters Kana, Muridke	PIE and PSIC to coordinate	1. Government support

2.3 Intelligence U	1. Involvement of chambers 2. Collection of Data 3. Producing regular reports 4. Evaluating effectiveness	1. Published and verified data	Under IC&ID Project	1. To be launched by	IC&ID, BOS, PERO, A w	1. Coordination and availability of data with chambers 2. Improved data collection by BOS
2.4 Finalize a comp				To be launched by	ICI&D	
<p>PSIC SDG 8. Target 8.2 (8.2.1), 8.3 (8.3.1) SDG 9. Target 9.2 (9.2.1, 9.2.2), 9.3 (9.3.1, 9.3.2), 9.b (9.b.1)</p>						
A: Ensure access to financing for small and medium enterprises in developing clusters	1. Assets of credit portfolio 2. Number of targeted enterprises	1. Official records	1. Government	Next 6 months	PSIC	1. Resource availability and ability of PSIC to change
B: Explore the viability of a credit scoring system						
C: Continue the development of value chains and clusters	1. Both studies conducted					
D: Strengthen and provide better data		1. Study reports		1. Next 6 months	1. Studies conducted by PSIC	
E: Develop specific initiatives	1. Number of initiatives 2. Number of initiatives				PSIC in coordination with IC&ID	
	1. Number of organizations 2. Frequency of the reports 3. Policy initiatives reported	1. Reports and official records	1. Development bank	Work with footwear sector	1. Coordinate with IC&ID	1. Resource availability and intent of the private sector to support initiatives
	1. Number of crafts initiatives	1. Official records	1. PPP – private sector 1. PSIC's budget	1. Develop a strategy 1. Next 12 months	1. Coordinate with IC&ID	1. Need based estates are developed to ensure high occupancy

		1. Census produced 2. Policy documents produced	1. PSIC's devel	Ongoing – initial 'art of jewellery to train Master t	1. Coordination with TEV	1. Budget and information availability
		1. Official records and repor				1. Budget and information availability

Activities to Achieve:

3. Quality of the Human Resource improved

SDG 8. Target 8.2 (8.2.1), 8.3 (8.3.1), 8.6 (8.6.1)

SDG 9. Target 9.2 (9.2.1, 9.2.2), 9.3 (9.3.1, 9.3.2)

SDG 4. Target 4.3 (4.3.1), 4.4 (4.4.1), 4.5 (4.5.1)

3.1 TEVTA will en master trainers	1. Number of Master 2. Certifications of th	1. Official records	TEVTA's budget Rs 10 million ea	1. Work with fod technology Gujr	TEVTA and international	1. Willingness of internationals to come to Pakistan
3.2 Upgrade the sectors	1. Number of centres	1. Official records	Variable		TEVTA	1. Resource Availability
3.3 TEVTA will de internationally re	1. Number of certific	1. MOUS's and official agre	One course cen	. City & Guilds c sectors	TEVTA	1. Ability of TEVTA to meet City & Guild standards
3.4 TEVTA will de performance of i	1. Number of private 2. Number of initiati programmes	1. Official meeting minutes a	A model govern	1. Established S graduate and in	TEVTA	1. Availability of technical resource locally
3.5 Establish clu	1. Number of excelle 2. Performance audi	1. Centres made operationa	1. Upgrading or	1. TEVTA to de	TEVTA and PIE. PIE has TEVAT to establish the tr	1. Continued support and relationship between TEVTA and PIE
3.6 Create one w	1. information hub cr	1. Official records of establis	1. Minimal	1. 30.12.18	IC&ID using the CODB s necessary to start a busin	1. Availability of CODB data
3.7 Establish a re	1. Fund established	1. Official records	1. Seed money	1. Over next 8-1	1. IC&ID and TEVTA to c	1. Resource availability and capacity of IC&ID

					buy tools etc and IC&ID v 2. TEVTA is extending int	and TEVTA to work on entrepreneurship
3.8 Encourage e	1. Training course de 2. Number of new en	1. Official records	1. IC&ID Budge	1. Initiate imme	IC&ID	1. Willingness of private sector to move assets from non-productive to more productive sectors

Activities to Achieve:

4.Implementation of the strategic and policy actions strengthened

SDG 9. Target 9.2, 9.5 (9.5.1), 9.b (9.b.1)

SDG 17. Target 17.11 (17.11.1)

4.1 Restructure/agency of the pro	1. Number of interve 2. Production of GPP 3. Institutionalisation	1. Notification on changes a 2. Published reports	Restructuring of	1. First producti	P&D, BOS, PERI& Intellig	1. Identification of sector specific private sector champions
4.2 Establishmer to bring in: 1. Sector specific 2. CPEC specific	1. Number of meetin 2. Diversity of stakeh 3. Communication st	1. Minutes of meetings and	N/A	1. Ongoing – se	IC&ID in collaboration with	1. Timecommitments of departments and resistance to change
4.3 Coordination bet	1. Number of discuss	1. Minutes and documented	N/A	1. Ongoing	1. IC&ID and ICRU to cod	1. Time commitments of departments and resistance to share information
4.7 Coordination	1. Number of discuss	1. Official notification	N/A	1. Ongoing	1. IC&ID and ICRU to cod	1. Good relation between provincial and federal government

Activities to Achieve:

5. Regulations streamlined and implementation strengthened

SDG 9 Target 9.2

<p>5.1 Conduct a thorough study to identify all laws and regulations that apply to industries and streamline them in an easy to navigate manual</p>	<p>1. Study conducted 2. Key constrains ide 3. Relevant change r 4. Cases moved to a 5. Concise gu</p>	<p>1. Activity log 2. Minutes of meetings and 3. Report of study conducte 4. Notification of cases mov 5. Published guidebod</p>	<p>1. Cost of</p>	<p>1. Activity comp 2. Study d</p>	<p>1. ICRU supported</p>	<p>1. Resistance to change regulations by all applicable authorities 2. Political opposition to proposed amendments</p>
<p>5.2 Establish an industrial regulatory authority (IRAP)</p>	<p>1. IRAP established 2. Role of all authorit 3. Redundant</p>	<p>N/A</p>	<p>1. Cost to be estimated</p>	<p>1. Ongoing</p>	<p>1. ICI&D to take the lead</p>	<p>1. Resistance by existing authorities and line departments</p>

The Annual Development Programme (ADP) for 2018-2019 is inclusive of the following projects which are in compliance with the Industries, Commerce & Investment Department's ADP strategy:

1. PSIC	<ul style="list-style-type: none"> • Development Projects • Chief Minister's Self-Employment Schemes (CMSES)
2. PIEDMIC	<ul style="list-style-type: none"> • Land acquisition for Development of Industrial Estate adjacent to Quaid-e –Azam Apparel Park, M-2, Sheikhpura under CPEC SEZ • Establishment of CETP at Quaid-e–Azam Industrial Estate, Lahore • Establishment of CETP at Sunder Industrial Estate, Lahore
3. FIEDMIC	<ul style="list-style-type: none"> • Land acquisition for Development of Allama Iqbal Industrial Estate, M-3, Faisalabad under CPEC SEZ • Establishment of CETP at M-3 Industrial City, Faisalabad
4. DGIPWM	<ul style="list-style-type: none"> • Upgradation and Modernization of District Offices of IPWM
5. TEVTA	<ul style="list-style-type: none"> • Development Projects
6. SPU	<ul style="list-style-type: none"> • Establishment of Industrial Intelligence Unite for Punjab • Pakistan- Foundations for E-commerce in Punjab • Establishment of Women Resource Center and Incubators- Woman Chamber of Commerce & Industry Lahore Division (WCCI) • WTO Capacity Building
7. PIU	<ul style="list-style-type: none"> • University of Technology Rasul • Punjab Tianjin University of Technology (PTUT), Lahore • Punjab Skill Development Project (TEVTA & PSDF)
8. PBIT	<ul style="list-style-type: none"> • Development Projects