



Formulaire CH@WORLD: A754

Représentation suisse à: Islamabad	
Pays: Pakistan	Date de la dernière mise à jour: 21.09.2015

Rapport économique Pakistan 2014 - 15¹

1. Appréciation des problèmes et enjeux économiques

In terms of economy, Pakistan has been facing a tough time at both the domestic and international levels for the last 8 years. Like in the preceding years, in 2014-15, the issues that needed to be dealt with on an emergency footing remained the country's energy crisis, tax revenue generation, a decline in foreign investment and debt servicing. Also, indirectly affecting the economy was the issue of internal security which continued to disturb foreign investment. One of the weakest spots of the economy continues to be the lack of revival of the investment.

The year 2014-15 ended up with a mixed performance. Out of the fifteen macroeconomic targets in 2014-15, only four were met. These included the inflation rate, current account in the balance of payments, growth in imports and net foreign assistance. Eleven significant targets were missed, such as: the GDP and sectoral growth rates, private and public investment, export growth and foreign direct investment. The investment in the country still remains low and the unemployment rate is increasing and has crossed 6% in 2013-14 (the last available figures). Together with this, the GDP growth rate of 4.2% in 2014-15 remains well below the average regional growth rate.

Pakistan has been facing energy challenges since late 2007. According to the Economic Survey of Pakistan 2012-13, the energy crisis shaved off up to 2% from the annual GDP of the country. Shortly before handing over power to the new Pakistan Muslim league-Nawaz (PML-N) government in 2013, the Pakistan People's Party (PPP) cleared a circular debt of PKR 444 billion. Upon assuming power, the PML-N government also cleared the circular debt to the amount of PKR 480 billion. The government also announced a National Power Policy in 2013 with the aim to provide affordable energy in the country through efficient generation, transmission and distribution. However, the circular debt has once again been estimated to have accumulated to PKR 600 billion (approx. USD 5.7 billion). Significant increase in power tariffs and excessive over-billing during the last year to manage liabilities and enhance revenue of power generation companies could not save from the soaring circular debt. Then again, analysts believe that even the budget 2015-16 lacked a clear strategy to deal with the circular debt.

Another issue of significance remained the growing debt of the country. The public debt reached PKR 16,936 billion (approx. USD 164.61 billion) – an increase of PKR 940 billion (approx. 9.14 billion) as compared to PKR 1,272 billion (approx. 12.36 billion) in FY14. As a percent of GDP, the public debt was 61.8% by end-March 2015, compared to 62.0% during the previous year. The domestic debt witnessed an increase by PKR1,012 billion during the first nine months of 2014-15 and recorded at PKR 11,932 billion

¹ L'année fiscale au Pakistan commence le 1er Juillet et se termine le 30 juin.

at the end of March 2015.

Like last year, the public debt servicing was registered at PKR 1,193 billion during July-March 2014-15 against the annual target of PKR 1,686 billion. Public debt servicing consumed nearly 44.5% of the total revenues during the first nine months of the year as against the ratio of 47% during the same period last year.

The inflation rate as measured by the changes in the Consumer Price Index (CPI) averaged at 4.81% during July-April 2014-15 as against 8.69% measured in the same period last year. The food inflation decreased to 3.59% from 9.34% during the previous year and the non-food group stood at 6.93% as compared to 8.26% in 2013-14. This is the lowest level of inflation recorded after 2003. Analysts, however, believed that this was the outcome of reduced international prices and the prices of some food items that remained stable.

The Pakistan Economic Survey 2014-15 estimated the real GDP growth for 2014-15 at 4.2% as compared to the 4.0% in the year 2013-14. In terms of growth rate, Pakistan stood below the regional South Asian economies. The regional comparative real GDP growth rates showed that while Pakistan's growth stood at 4.2%, the growth rate of India was at 7.5%, Sri Lanka's was 6.5% and Bangladesh's 6.3% during FY 2015. Also, there was a difference of 0.9% in the budgeted (5.1%) and achieved (4.2%) real GDP growth. According to the analyses of think tanks, the growth rate must have been significantly overstated in a number of sectors – e.g., crops, livestock, fishing, etc. – bringing the actual GDP growth rate to 3.6% from the government's 4.2%.

During the last few years, investment suffered and constantly declined both because of internal and external factors. However, in 2014-15, the total investment registered an increase of 0.14% and was recorded at 15.12% of GDP as compared to 14.98% during the previous year. According to the Economic Survey 2014-15, private investment was witnessed at 9.66% of GDP as compared to the 10.03% of GDP recorded during last year. As per this document's figures, public investment stood at 3.86% of GDP as compared to 3.36% of GDP last year. The Economic Survey states that the public recorded an impressive growth of 25.56% as compared to the growth of 6.82% last year. However, this document published by the government does not give the detailed reasons for this impressive growth.

Conversely, as per the analyses of an independent think tank - Institute of Policy Reforms (IPR) – private investment has continued to fall to its lowest levels ever of 9.66% of GDP and the factors contributing are: acts of terror, law and order situation in Karachi, high levels of power load shedding, shortage of gas and 'crowding out' of the private sector from bank credit. Also, the private investment in large scale manufacturing is down to only 1.2% of the GDP and (at less than 0.1% of the GDP) the private sector has virtually stopped investing in the power sector due to the high level of receivables with the Independent Power Producers (IPPs). According to this think tank, the public investment too is overstated as it is likely to be 3.4% rather than the claimed 3.86% of the GDP. Consequently, the total investment-to-GDP ratio also falls from 15% of GDP in 2013-14 to 14.7%.

Also, domestically, corruption is especially a problem when it comes to state-run enterprises. According to the 2014 Global Corruption Perception Index, Pakistan ranked as the 126th most corrupt country, out of a total 177 nations as compared to being at the 127th position last year.

In its Asian Development Outlook 2015 report, the ADB analyzed that the government had made some progress in implementing macroeconomic and structural reforms to strengthen its fiscal position, alleviate energy shortages, and restructure and privatize loss-making public enterprises. However, progress remained slow in a challenging

political and security environment. Also, as per the report, continued power and gas shortages were likely to contain growth in large-scale manufacturing.

Analysts believe that the economic outlook of Pakistan can be improved by widening the tax base and introducing both short and long-term reforms in the energy sector. Thus, bringing economy to the centre stage of policy making and following consistent strategies has the potential to make the economy bounce back.

2. Accords internationaux et régionaux économiques

2.1 Politique, priorité du pays

- According to the **Strategic Trade Policy Framework 2012-15**, the Government of Pakistan prioritized greater trade integration with South Asia, China and the Economic Cooperation organization (ECO) countries – Turkey, Iran, Afghanistan, Uzbekistan, Turkmenistan, Kyrgyzstan, Kazakhstan, Azerbaijan and Tajikistan.
- Ever since assuming power, Pakistan's government has made a conscious effort to foster firm economic relations with China. The **China Pakistan Economic Corridor (CPEC)** was formally launched with the visit of the Chinese President to Pakistan on April 20, 2015. Other significant agreements signed during the Chinese President's visit included: the financing of Lahore's Orange Line Metro Train and an agreement to build a liquefied natural gas (LNG) import terminal at Gwadar and the Gwadar-Nawabshah (Balochistan-Sindh provinces) LNG pipeline.

The CPEC corridor is a 2,700-kilometre highway that would stretch from Kashghar in China to the Gwadar port in the Balochistan province through Khunjab (Gilgit-Baltistan) and is set to be constructed from 2014 - 2030. During the Chinese President's visit, Pakistan and China signed 53 agreements worth USD 28 billion – most of which covered commercial loans to Pakistan's power generation companies. Out of the USD 6 billion to be spent on non-energy infrastructure, just over USD 4 billion was set to go towards the infrastructure development projects of the CPEC. Experts also believe that under the agreement, USD 15.5 billion worth of coal, wind, solar and hydro energy projects would come online by 2017 and add 10,400 MW of energy to the national grid. As per officials, until now, China has promised to invest around USD 11.8 billion in infrastructure projects and USD 33.8 billion in the energy projects under the CPEC. The first phase of infrastructure development under CPEC involves the development of the Gwadar Port – which was transferred to China's state-owned China Overseas Ports Holding in February 2013 – and the construction of an international airport. China converted PKR 23 billion loans for Gwadar International Airport into a grant and extended an interest-free loan worth PKR 13.5 billion for the construction of Gwadar East Bay Expressway. It has also been decided during the Joint Working Group meetings that these two projects would be completed by December 2017. Pakistan and China also signed agreements for upgrading 1,300-kilometre Karakorum Highway connecting to Islamabad and laying a fibre-optic cable from the Chinese border to Rawalpindi (Punjab province) - a distance of 820 kilometers. The Exim Bank China also agreed to provide the government a concessional loan at an interest rate of 2% per annum for Cross-Border Optic Fiber Project. In August 2015, Pakistan and China again signed 20 agreements worth USD 2 billion in the fields of energy, communication, social services, agriculture, health, education and infrastructure. The Moody's Investor Services described the CPEC as a 'credit positive' for Pakistan, because it would spur investment activity, boost bilateral trade flows and help ease the country's energy shortages.

The bilateral economic relations have seen activity in the realm of banking and free trade. In January 2015, during the negotiations of **China-Pakistan Free Trade Agreement (CPFTA)** from 6 - 8 January, 2015, Pakistan and China agreed to soften requirements for establishing branches of banks in each other's country – e.g., the asset requirement. Also during negotiations on CPFTA between August 3 - 5, 2015,

Pakistan asked for zero tariff on 70% of its export items and offered to give zero tariff on 40% of the Chinese items. The final decision on this is expected in the October talks in China. The bilateral trade stands at USD 15 billion and has been agreed to be increased to USD 20 billion in the next three years.

- The **European Union** is Pakistan's largest trading partner, receiving 31% of its exports. The trade consists mainly of textiles - which accounts for more than 70% of its exports to European countries. Pakistan had been struggling for long to get the Generalized System of Preferences-Plus (GSP+) status for its textile exports which was expected to boost the export volume to Europe by 20%. Pakistan was granted the GSP+ status in December 2013 until 2017. This became effective from January 1, 2014. The GSP+ will allow almost 20% of Pakistani exports to enter the EU market at zero tariff and 70% at preferential rates. However, a drawback is that the status is conditional on the ratification and implementation of 27 international conventions in the areas of human rights, labour standards, environment and good governance. Though Pakistan has ratified almost all the conventions, a critical aspect includes the EU to strictly monitor their compliance by Pakistan through unnamed third parties from civil society or non-government organizations. Despite acquiring the GSP+ status, the ground reality remains that a big percentage of the Pakistani industry is nonfunctional due to the energy crisis in the country. However, in January 2015, during the launching of a 'Business Guide for GSP+', the Pakistani Commerce Minister said that the exports to the EU had risen 20% to USD 6.38 billion during the first 10 months of 2014 from USD 5.3 billion last year, adding that the scheme had boosted export of textile, leather goods, footwear and plastic products.
- Though the previous government had been very enthusiastic about **the Iran-Pakistan Gas Pipeline Project**, the present government has not shown eagerness due to the international sanctions on Iran. The project was launched in 2010 and aimed to construct 1,800 kilometers of pipeline from Iran to Pakistan. Iran announced the completion of its part of the project in 2013 but Pakistan suspended the work allegedly due to the sanctions on Iran. PM Sharif met the Iranian President in May 2014 and though both agreed to continue with the Iran-Pakistan gas pipeline project, the Pakistani delegation asked for the extension of the deadline of January 1, 2015 - failing which Pakistan would have been fined in accordance with gas volumes due for Pakistan. IN May 2014, however, Tehran agreed to grant exemption to Islamabad regarding the imposition of fine of USD 3 million per day and extend the project's deadline. There were also reports that Pakistan had proposed to Iran to convert its natural gas into LNG and then export it to Pakistan by using the terminal facility of Oman. An alternative plan is to set up an LNG terminal at Gwadar (Balochistan) and lay a pipeline from Gwadar to Nawabshah (Sindh). The Chinese companies are also interested in setting up the LNG terminal and laying down pipeline from Gwadar. In December 2014, Pakistan's Commerce Minister told the Iranian Finance Minister that the country wished to make the current Preferential Trade Agreement with Iran effectively operational and expand it by including more items of trade in the reduced tariff list, adding that Pakistan wanted to enhance the limited trade base between the two countries - currently at USD 217 million. During a meeting of the Pak-Iran Joint Working Group and Technical Committee on Trade in August 2015, both the sides agreed to consider linking the latter with the CPEC to strengthen border markets and upgrade road and railway networks. Also, in a meeting between the Iranian Ambassador and the Secretary Ministry of Water and Power, Iran communicated that it was ready to export 3000 MW electricity to Pakistan rather than the requested 1000 MW by Pakistan.
- Despite some high level visits and an issuance of positive statements, the Preferential Trade Agreement (PTA) between **Pakistan and Turkey** - expected to be implemented in June 2015 to promote bilateral trade - could not be concluded.

Reports also suggested that there has been a 40% decline in the bilateral trade despite the talk of increasing the bilateral trade to USD 1 billion.

- In January 2014, in order to counter the controversy of the term 'Most-Favoured Nation' (MFN), **India and Pakistan** decided to simultaneously announce 'Non-Discriminatory Market Access on Reciprocal Basis' (NDMARB) status for each other – having the same benefits as MFN. Under this understanding, both the countries had agreed to keep the Wagah border open for 24 hours for trade and remove non-tariff barriers. The Pakistani side was waiting for the new Indian government to take over, but as the talks between the two sides got postponed, there has been no progress yet. The total trade between the two countries stood at USD 2.35 billion in 2014-15. Experts believe that the bilateral trade has the potential to rise to USD 10-12 billion. Earlier, under the trade liberalization programme, Pakistan shifted its trade from positive to a negative list - with 1,200 items on the list. Reciprocally, India finalized three agreements with Pakistan to remove Non-Tariff Barriers (NTBs) to overcome the obstruction for Pakistan's exports to India. In January 2014, the Indian and Pakistani Commerce Ministers met after a gap of 16 months and decided to set up a non-discriminatory market access (NDMA) programme, keep the Wagah-Attari border open 24 hours throughout the year and facilitate the opening of bank branches in each other's' country. Both countries opened new Integrated Check Posts at Attari-Wagha border in April 2012 for cross-border barter trade. India also overturned its ban on foreign investment from Pakistan (other than defence, space and atomic energy). In September 2012, a new visa agreement was signed between the two countries to facilitate cross-border travel. Other areas under discussion are the possible import of electricity from India. The ground reality, however, remains that the bilateral relations are at an all-time low with ceasefire violations along the borders and an initiation of a new era of bilateral trade might not happen very soon.
- Through the **Afghanistan** Pakistan Transit Trade Agreement (APTTA), Pakistan aims at reaching the markets of Central Asian Republics. Following a proposal by Pakistan, both Afghanistan and Pakistan extended the APTTA to Tajikistan in July 2012. In May 2015, the Afghan President said that that if Pakistan did not open up the Wagah land transit for Afghan imports from India, Afghanistan could take counter measures and not provide equal transit access to Central Asia for the Pakistani trucks. Currently, Pakistan allows Afghan trucks to transport goods up to the border with India but it has not yet permitted Indian products to be exported to Afghanistan. Pakistan has said that the transit trade agreement was strictly a bilateral understanding and for India to join the agreement it would need to first take the good-faith step of normalizing trade relations with Pakistan. Both Pakistan and Afghanistan also agreed to increase bilateral trade to USD 5 billion by the end of 2017. The governments of the two countries have made efforts to promote bilateral trade through the Pakistan-Afghanistan Joint Economic Commission (JEC). The ninth session of the JEC was held in Kabul in late February 2014 and some concrete measures to promote bilateral trade were mooted at the session - such as the commencement of construction on an additional road between the Torkham Gate on the countries' shared border and Jalalabad in Afghanistan. The 10th JEC meeting, which was expected to cover all economic matters, was slated for August 24 and 25, 2015 but was called off by the Afghan government. The commission was supposed to take up for discussion 55 items including three-dozen issues, including transit trade, access for Afghan cargo traffic to Pakistan's border posts and integration of the customs system of the two sides to curb smuggling.

Principales négociations en cours sur le plan international ou régional

Together with the above-mentioned agreements and developments, the following have also taken place:

1. In September 2015, Pakistan agreed to become a signatory to the UN-backed international transit system - Transports Internationaux Routiers or International Road Transports (TIR) - under which it would allow other signatories to transport cargoes via Wagah border to Afghanistan and beyond central Asian states².
2. On September 1, 2015, the Asian Development Bank said that it would collaborate with the Department for International Development (DFID) of the United Kingdom to co-finance the USD 327 million cost of the 59 kilometre Hassanabdal-Havelian Expressway (E-35) project under the CPEC. This marks the first time the UK would fund any infrastructure project in Pakistan, as its focus has historically been on social sectors.
3. In February 2015, Pakistan secured a USD 21 billion long term contract from Qatar to supply Liquefied Natural Gas (LNG). Under the agreement, Qatar would supply Pakistan with 500 million cubic feet per day (mmcf) of LNG under a pricing formula that would translate to a current price of LNG of USD 7 per million British thermal units (mmbtu).
4. On October 11, 2014, Pakistan and Afghanistan signed an agreement to set the electricity transit fees for CASA-1000 project at 1.25 cents per kilowatt - as against the initial 2.5 cents per KW mooted by the Afghan side.
5. In October 2014, Pakistan was among the twenty-one countries which signed an MoU to establish the Asian Infrastructure Investment Bank (AIIB) in China. The institution will be based in Beijing and is intended to address the region's demand for transportation, dams, ports and other facilities.
6. A Pakistani delegation was in Switzerland for talks on the Avoidance of Double Taxation agreement from August 26-28, 2014 and requested the Swiss authorities to place a legal framework to effectively exchange details of its nationals who had parked untaxed wealth in Swiss banks.

Other agreements with various countries during the fiscal year 2013-14

- ✓ In August 2015, on a visit to Kazakhstan, PM Sharif said that Pakistan was interested in signing a Free Trade Agreement (FTA) with the Eurasian Economic Union (EEU).
- ✓ Also in August 2015, in a meeting with Belarus' Minister for Trade and Economy, Pakistan's Commerce Minister offered a Preferential Trade Agreement (PTA) to facilitate the bilateral trade. Talks for the early conclusion of the PTA are expected to start soon.
- ✓ In July 2015, Pakistan and South Korea formally reached an understanding to start an FTA feasibility study that would be completed within one year.
- ✓ In March 2015, Pakistan and Austria signed an Additional Protocol amending the Agreement on Avoidance of Double Taxation (ADTA) with Austria. Austria and Pakistan have been treaty partners since the last ten years as they signed the Convention on Avoidance of Double Taxation in August 2005 which was enforced in 2006. With the signing of this protocol, increased exchange of information would be made possible.
- ✓ In February 2015, the Pak-Kuwait additional loan agreement worth USD 32 million was signed for the PKR 274 billion Neelum-Jhelum Hydropower Project in Azad Jammu and Kashmir. Kuwait was already co-financing this 969 MW project with an amount of USD 42 million.
- ✓ In October 2014, the Islamic Development Bank (IDB) agreed to finance the CASA-1000 megawatt power import project³ – thus, filling the gap left after the World Bank had agreed to finance USD 526.5 million out of the total of USD 1.17 billion.

² India is currently not a signatory to the convention and, as per Pakistani officials, if it became a signatory, there were clauses in the convention which could help Pakistan not extend India the transit facility.

³ Power import from the Kyrgyz Republic and Tajikistan

- ✓ In October 2014, the US pledged support Pakistan's USD 14 billion and 4,500-MW Diamer Basha Dam project, as top officials and private business leaders explored investment prospects.
- ✓ In September 2014, at the conclusion of the talks to renegotiate the July 2005 Convention for Avoidance of Double Taxation, Pakistan and Switzerland pencilled a revised Avoidance of Double Taxation treaty that would allow both countries to seek information for tax purposes.
- ✓ In a meeting of the Pak-US Trade and Investment Framework Agreement (TIFA) in May 2014, an agreement was reached on a joint action plan to expand bilateral trade and investment over the next five years. Eight areas were identified for enhancing cooperation, as: agricultural production, intellectual property protection, implementation of the WTO trade facilitation agreement, Pakistan's accession to the WTO government procurement agreement, increasing trade services outreach to US government, promoting entrepreneurship and increasing B2B dialogue.

Bilateral/Multilateral Investment Treaties

List of Countries / Organizations with which Pakistan has Bilateral Investment Agreements

S. No.	Name of Country	Signing Date	S. No.	Name of Country	Signing Date
1	Australia	07.02.1998	25	Malaysia	07.07.1995
2	Azerbaijan	09.10.1995	26	Mauritius	03.04.1997
3	Bahrain	18.03.2014	27	Morocco	16.04.2001
4	Bangladesh	24.10.1995	28	Netherlands	04.10.1988
5	Belarus	22.01.1997	29	Oman	09.11.1997
6	Belgo-Luxemburg	23.04.1998	30	Philippines	11.05.1999
	Economic Union		31	Portugal	17.04.1995
7	Bosnia	04.09.2001	32	Qatar	06.04.1999
8	Bulgaria	12.02.2002	33	Romania	10.07.1995
9	Cambodia	27.04.2004	34	Singapore	08.03.1995
10	China	12.02.1989	35	South Korea	25.05.1988
11	Czech Republic	07.05.1999	36	Spain	15.09.1994
12	Denmark	18.7.1996	37	Sri Lanka	20.12.1997
13	Egypt	16.04.2000	38	Sweden	12.03.1981
14	France	01.06.1983	39	Switzerland	11.07.1995
15	Germany	01.12.2009	40	Syria	25.04.1996
16	Indonesia	08.03.1996	41	Tajikistan	13.05.2004
17	Iran	08.11.1995	42	Tunisia	18.04.1996
18	Italy	19.07.1997	43	Turkey	15.03.1995
19	Japan	10.03.1998	44	Turkmenistan	26.10.1994
20	Kazakhstan	08.12.2003	45	U.A.E.	05.11.1995
21	Kuwait	14.02.2011	46	United Kingdom	30.11.1994
22	Kyrgyz Republic	23.08.1995	47	Uzbekistan	13.08.1992
23	Lebanon	09.01.2001	48	Yemen	11.05.1999
24	Laos	23.04.2004	-	-	-

Source: Board of Investment www.pakboi.gov.pk

Avoidance of Double Taxation

Countries Having Agreement with Pakistan for Avoidance of Double Taxation

S.No.	Name of Country	S.No.	Name of Country
1	Austria	27	Malta
2	Bangladesh	28	Mauritius
3	Belarus	29	Netherlands
4	Belgium	30	Nigeria
5	Canada	31	Norway
6	China	32	Oman
7	Denmark	33	Philippines
8	Finland	34	Poland
9	France	35	Qatar
10	Germany	36	Romania
11	Greece	37	Saudi Arabia
12	Hungary	38	Singapore
13	India	39	South Africa
14	Indonesia	40	Sri Lanka
15	Iran	41	Sweden
16	Ireland	42	Switzerland
17	Italy	43	Syria
18	Japan	44	Thailand
19	Jordan	45	Tunisia
20	Kazakhstan	46	Turkey
21	Kenya	47	Turkmenistan
22	Republic of Korea	48	U.A.E.
23	Kuwait	49	U.K.
24	Lebanon	50	U.S.A.
25	Libyan Arab Republic	51	Uzbekistan
26	Malaysia	52	Azerbaijan

Source: Board of Investment www.pakboi.gov.pk

3. Commerce extérieur

3.1 Evolution et perspectives générales

3.1.1 Commerce de marchandises

During the fiscal year 2014-15 (July-April), the current account deficit stood at USD 1.4 billion from USD 2.9 billion in the same period of the last year – therefore, 53.5% less the previous year. Deficit in services account also remained lower and stood at USD 1.63 billion during July-April 2014-15 as compared to USD 2.35 billion during the same period last year. The lower services deficit was due to inflows of USD 1.5 billion under the Coalition Support Fund⁴ (CSF). Lower freight expenses (as shipping companies started passing on the impact of cheaper oil) also provided relief.

As per the Economic Survey of Pakistan 2014-15, exports during the first ten months of the year were calculated at USD 19.93 billion against USD 20.98 billion during FY14. The exports' sector, therefore, registered a decline of 5.0%. The exports of Food group decreased by 2.0% in comparison with last year. Within the group, a major decline came from the export of rice which grew negatively by 5.4%. All other major items in the food group saw a positive growth expect Fish and Fish Preparations which showed a nominal decline

⁴ The Coalition Support Fund (CSF) is reimbursed to Pakistan for its support to US efforts to combat terrorism.

both in quantity and value terms. The export of Sugar witnessed a growth by 1.6%. The Textile Manufacturers' group's export declined by 1.2%, however, its major value added items except cotton cloth saw a positive growth. Cotton cloth declined by 23.1% in quantity and 11.0% in value terms, showing stronger negative quantity effect. Petroleum and Coal Group's exports also witnessed a decrease of 10.4% during July-April 2014-15 over the corresponding period. Within this group, the export of naphtha decreased from USD 542.7 million during the first ten months of 2013-14 to USD 236.3 million in 2014-15 – a decline of 56.5%. Exports of the "Other Manufacturers" group witnessed a decline of 16.9%. Almost all major and mentionable items in this group saw negative growth. The exports of Chemical and Pharmaceutical Products declined by 16.5%, Leather by 7.2%, Engineering Goods by 26.2% and Cement by 7.6%.

Although Pakistan trades with a large number of countries, its exports remained highly concentrated in a few countries. About 60% of the export destinations of Pakistan were to ten countries namely, US, China, UAE, Afghanistan, UK, Germany, France, Bangladesh, Italy and Spain. Among these countries, the maximum export earnings came from the US (15%) and European countries (20%) making up approximately one-third of the total. China with its share of 9% has become Pakistan's regional trading partner. The share of export to Afghanistan in total witnessed a decline in recent years from 10% in 2011-12 to 8% during 2014-15. The share of exports to EU countries - like France, Italy and Spain - remained relatively stagnant. Pakistan's exports to Bangladesh, UAE and some other Asian countries also could not show much growth despite the existence of Free Trade Agreements (FTAs).

Then again, the Pakistan Economic Survey 2014-15 shows that imports of the first ten months of the FY15 increased nominally by 1.8%. Though the import target for the year was set at USD 44.2 billion, the imports rose from USD 37.08 billion in 2013-14 to USD 37.76 billion during the first ten months of 2014-15. Group-wise data suggests that the major curtailment of the import bill came from the Petroleum Group which, as a whole, decreased by 19.4%. Also, a worrisome indicator is that there is a dip of 25.8% in the import of textile-related machinery import, suggesting that the sector is not expanding. Textile Group import – consisting mostly of raw items - also witnessed a declining trend by 7.1% during July-April 2014-15. Food Group imports saw an increase of 21.8%, Consumer Durables (electric appliances, etc.) by 14.8%, Raw Materials (raw cotton, fertilizers, iron and steel, etc.) by 15.1%, Telecom by 14.9% and All Other Items group increased by 5.2%. Moreover, the growth in import of all types of Machinery shows the acceleration of economic activity in the country. Despite a slow growth in the overall import bill of the country, the import of Machinery group remained higher at 16.9% during July-April 2014-15 over the same period last year. Like its exports, Pakistan's imports too are highly concentrated in a few countries.

Based on the data of 2014-15, around 50% of Pakistan's imports originated from just a few countries, like China, Kuwait, Saudi Arabia, UAE, India, Indonesia, etc. it is worth mentioning that, according to the Economic Survey of Pakistan, the share of the imports from China sharply increased from 17% in the last fiscal year to 23% during July-March 2014-15. By and large, the relative share of imports from other countries has remained almost the same over the year. However, the share of imports from Malaysia witnessed a decline to only 2% from 5-6% a few years back. The share of imports from Indonesia increased gradually from 2% some years back to 5% during the year 2014-15, showing some change in Pakistan's imports' pattern.⁵

A glance at the tables on the cumulative exports and imports during 2014-15 quoted in Annex 3 shows that like last year, in terms of exports, Pakistan's key trading partners remained USA, China, United Arab Emirates, United Kingdom, Afghanistan and Germany while U.A.E., China, Saudi Arabia, Singapore and Kuwait stood as the topmost importing partners of the country during the period under review.

⁵ Please note that the figures quoted in these paras are taken from "Pakistan Economic Survey: 2014-15"

The Strategic Trade Policy Framework (STPF) 2012-15 was introduced in January 2013 prior to which the Policy Framework 2009-12 was followed. Both the documents focus more on export and regional trade. In terms of amendments in the trade regulations, the Framework 2012-15 has eased the import of wheel chairs and ambulances and has toughened the rules on importing non-sterilized syringes and hazardous / non-hazardous plastic wastes/scrap. Used machinery can now be imported and there have been no changes in the import of Pharma products – other than the domestic price adjustments of these products. The ceiling for the import of used cars has been extended to five years instead of the previously followed threshold of three years. The STPF has also proposed to form Pakistan Land Port Authority to strengthen trade. Moreover, the document has also proposed the establishment of an EXIM bank in the country.

The Government promulgated a law (the Anti-Dumping Duties Ordinance, 2000), which provides remedy against dumping and its injurious effects on the domestic industry.

Regarding the Sanitary and Phytosanitary (SPS) measures in Pakistan, the country has a number of national laws and regulations as the Pakistan Plant Quarantine Act 1976, the Agricultural Pesticide Ordinance 1971, the Plant Quarantine Rules 1967 and the Proposed Phytosanitary Act 2012. The imports of live animals, animal semen, embryos and fish and fishery products are subject to quarantine requirements. The import of all species of plants is, in theory, subject to compliance of Phytosanitary requirements. In February 2013, the European Union (EU) lifted the ban on the import of Pakistan's seafood products, which it had imposed in April 2007 for failing to meet its specifications. This major development would help increase the exports of Pakistan. According to fisheries officials, the EU allowed two fisheries companies to export shrimp and fish products to its 27-nation bloc from March 12, 2013.

In terms of regional trade, Pakistan has concluded many Preferential Trade Agreements (PTAs) with regional countries – e.g., under the South Asia Free Trade Agreement (SAFTA), Pakistan agreed to reduce tariffs to a maximum of 5% by 2013 for all SAARC⁶ countries. Analysts believe that its participation in multiple PTAs could make Pakistan's trade regime complex. Trade with India focuses on the negative lists rather than the positive. Contrary to expectations, the MFN status has not been granted to India until now due to the reservations of Pakistan's domestic industries.

In pursuance of the Pakistan government's policy to seek better market access for Pakistani products through tariff preferences and reduction of non-tariff barriers in international markets, the Joint Declaration on Cooperation between the Islamic Republic of Pakistan and the EFTA States was signed in November 2012. It is expected that an FTA with EFTA will provide enhanced market access to Pakistani goods and will also encourage the investors from EFTA States to invest in Pakistan. The country also got the GSP Plus status in 2014 for its exports to the European Union after successful evaluation of Pakistan by the EU commission.

Despite all of the above, economic observers believe that a number of non-tariff barriers (NTBs) exist in Pakistan. The security situation is the first barrier, followed by a lack of information available on the Government of Pakistan websites. Issues related to visas and getting No Objection Certificates (NOCs) pose another challenge. Again, the administrative procedures, government policies and regulations are not very transparent and are cumbersome. Another NTB is that the tariffs are levied *ad valorem* – that is, in proportion to the estimated value of the goods or transaction concerned.

⁶ South Asian Association for Regional Cooperation.

3.1.2 Commerce des services

During the fiscal year July-April 2014-15, the current account deficit stood at USD 1.4 billion from USD 2.9 billion in the same period of the last year. This marked a decrease of 53.5% in the current account deficit from that of the previous year. Deficit in services account also remained lower and stood at USD 1.63 billion during July-April 2014-15 as compared to USD 2.35 billion during the same period last year. Analysts believed that the lower services deficit was due to inflows of USD 1.5 billion under the Coalition Support Fund (CSF). Lower freight expenses (as shipping companies started passing on the impact of cheaper oil) also provided relief.

3.2 Commerce bilateral

3.2.1 Commerce de marchandises

The bilateral trade balance between Switzerland and Pakistan has traditionally been in the favour of Switzerland.

Switzerland's exports to Pakistan in 2014 have shown a decrease of 1.5% from CHF 277.79 million in 2013 to CHF 273.66 million in 2014. Pharma products are the main Swiss exports to Pakistan followed by machines. Chemicals, watches and precision instruments also have a significant export share as well. It can be observed that the major decrease in the exports had been in the Pharma products (21.7%) and Watches category (of 23.5%).

Switzerland's Exports to Pakistan

In Mio CHF

Description	2010	2011	2012	2013	2014	%
Pharmaceuticals	110.14	107.90	100.68	139.47	109.19	-21.7
Chemicals	43.07	37.44	35.98	38.74	46.38	+19.7
Machines	68.41	68.27	57.41	45.65	68.00	+48.9
Watches	23.82	23.67	29.95	22.99	17.58	-23.5
Others	49.84	42.41	37.13	30.94	32.51	+5.0
Total	295.28	279.69	261.15	277.79	273.66	-1.5

+/-% change from last year

Source: Swiss Customs Administration

Switzerland's imports from Pakistan in 2014 witnessed an increase of 10.6% from CHF 97.44 million in 2013 to CHF 107.80 million in 2014. Textile is the largest item of Switzerland's import from Pakistan and accounts for CHF 69.01 million followed by agricultural products which make up CHF 16.86 million. Products like sports goods, surgical equipment and carpets also have a minor import share.

Switzerland's Imports from Pakistan

In Mio CHF

Description	2010	2011	2012	2013	2014	%
Textiles	40.78	44.09	59.70	60.97	69.01	+13.1
Agricultural products	12.79	17.21	31.56	17.34	16.86	-2.7
Others	9.34	11.43	16.46	19.13	21.93	-14.6
Total	62.91	72.73	107.72	97.44	107.80	+10.6

+/-% change from last year

Source: Swiss Customs Administration

3.2.2 Commerce de services

Pas de données disponibles.

4. Investissements directs/de portefeuille

4.1 Evolution et perspectives générales

The total investment which was recorded at PKR 3,756 billion (approx. USD 35.9 billion) in 2013-14 increased to PKR 4,140 billion (approx. USD 39.6 billion) for 2014-15 – thus, recording a growth of 10.21%. Out of the total investment, the Foreign Direct Investment reached USD 0.71 billion in July-April 2014-15 as compared to USD 1.69 billion in the last fiscal year.

During the year under review, the major direct investors in Pakistan remained the US (USD 238.7 million), followed by China (229.5 million), UAE (USD 222.4 million), UK (USD 99.9 million) and Hong Kong (USD 83.6 million).

Switzerland had been the fourth highest foreign direct investor in the country with an investment of USD 209.8 million in 2013-14. However, in July-April 2014-15, the Swiss investments recorded a sharp decline and posted a negative figure of USD 72.3 million. Other than this, if the figures of 2014-15 are compared with those of 2013-14, it can be seen that many countries posted a decrease of FDI even if it remained in the top five categories. For example, the FDIs of China, UK, Hong Kong and Saudi Arabia decreased massively as compared to last year. Then again, the US, UAE, Japan and Norway increased their FDIs in Pakistan as compared to their investments last year.

FDI inflows were mostly concentrated in the sectors of oil and gas, financial business, chemical and trade. The oil and gas sector posted a decrease from USD 465.1 million last year to USD 42.6 million in July-August 2014-15, financial business declined from USD 156.8 million to USD 19.8 million and chemical from USD 88.4 million to USD 19.8 million. Trade saw an increase from a negative USD 7.6 million to a positive USD 10.3 million.

The Special Economic Zone (SEZ) Act 2012 was signed in September 2012. The incentives announced through the SEZ Act are: the exemption from customs duties and taxes for all capital goods imported into Pakistan for the development, operations and maintenance of a SEZ; exemption from all taxes on income accruable in relation to the development and operations of the SEZ for a period of 10 years, starting from the date of signing of the development agreement, will become effective for the investors. Nothing much has been changed in the field of privatization. The Privatization Commission was formed by a 2000 Ordinance in the (former President) Musharraf-era but was later declared an Act to give it a legal cover.

The first application of Khairpur Special Economic Zone (KSEZ) was approved by the Approval Committee of Special Economic Zones in its first meeting held on February 11, 2014. This Economic Zone is being developed in Khairpur District, Sindh as a future hub of agro-processing and other related industries. KSEZ is located on 140-acre-land in the proximity of date-growing areas, ideal for setting up date processing and packaging plants for exporting different varieties of date to get high price for this value added product in the international markets. This special zone is supposed to have a state-of-the-art infrastructure, an efficient design, an easy access to labor and training facilities and quality logistic services. The zone will provide inherent benefits of essential supporting amenities to small, medium and large enterprises to grow and flourish in a global market place.

As per official documents, the Provincial Governments also received many applications for various potential zones in their respective provinces and are in the process of preparing documents to further process the applications. They are also engaged with potential local

and foreign investors to finalize arrangements for infrastructure development of the areas identified for the respective zones.

Country Wise FDI Inflows (\$ Million)

Country	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 (July)
USA	869.9	468.3	238.9	227.7	223.0	212.1	238.7	(49.8)
UK	263.4	294.6	208.1	205.8	623.3	157.0	99.9	6.9
Switzerland	227.3	170.6	110.5	127.1	149.0	209.8	(72.3)	21.6
China	(101.4)	(3.6)	47.4	126.1	90.6	695.8	229.5	53.5
Hong Kong	156.1	9.9	125.6	80.3	242.6	228.5	83.6	0.1
U.A.E	178.1	242.7	284.2	36.6	19.9	(47.1)	222.4	15.3
Germany	76.9	53.0	21.2	27.2	5.7	(0.5)	(10.7)	(1.1)
Korea (South)	2.3	2.3	7.7	25.4	25.8	24.4	15.5	(0.6)
Japan	74.3	26.8	3.2	29.7	30.7	30.1	58.2	2.0
Saudi Arabia	(92.3)	(133.8)	6.5	(79.9)	3.2	(40.1)	(127.9)	(10.6)
Norway	101.1	0.4	(48.0)	(275.0)	(258.4)	(21.6)	2.8	0.1
Others	1,964.2	1,019.6	631.6	289.7	283.6	224.4	(30.4)	37.6
Total including Pvt. Proceeds	3,719.9	2,150.8	1,573.6	820.7	1447.3	1667.6	709.3	75.0
Privatization Proceeds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FDI Excluding Pvt. Proceeds	3,719.9	2,150.8	1,634.8	820.7	1,456.5	1,698.6	709.3	75.0

Note: Pakistan's Fiscal Year runs from July 1 until June 30. The figures in brackets are in negative.

Source: Board of Investment www.pakboi.gov.pk

Sector Wise FDI Inflows (\$ Million)

Sector	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	July-Aug 2014
Oil & Gas	634.8	775.0	740.6	512.2	629.4	559.6	465.1	42.6
Financial Business	1,864.9	707.4	163.0	246.9	64.4	314.2	156.8	23.7
Textiles	30.1	36.9	27.8	25.0	29.8	10.0	3.7	6.9
Trade	175.9	166.6	117.0	53.0	25.3	5.7	(7.6)	10.3
Construction	89.0	93.4	101.6	60.8	72.1	46.0	24.4	2.6
Power	70.3	130.6	(120.6)	155.8	(84.9)	28.4	46.6	5.0
Chemical	79.3	74.3	112.1	30.5	96.3	(47.6)	88.4	19.8
Transport	74.2	93.2	132.0	104.6	18.7	44.1	(8.1)	(1.3)
Communication (IT & Telecom)	1,626.8	879.1	291.0	(34.1)	(312.6)	(385.7)	583.3	(24.1)
Others	764.5	763.4	586.3	418.9	282.6	872.6	278.7	1.6
Total including Pvt. Proceeds	5,409.8	3,719.9	2,150.8	1,573.6	820.7	1447.3	1631.3	87.1
Privatization Proceeds	133.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FDI Excluding Pvt. Proceeds	5,276.6	3,719.9	2,150.8	1,573.6	820.7	1447.3	1631.3	87.1

37.1% decrease in Net FDI in 2014-15 (July-August) as compared to 2013-14 (July-August).

Note: Pakistan's Fiscal Year runs from July 1 until June 30. The figures in brackets are in negative.

Source: Board of Investment. www.pakboi.gov.pk

Switzerland's Foreign Direct Investment (FDI) in Pakistan

Year	FDI in Mio USD	Rank
2003-04	205.3	2 nd
2004-05	137.5	4 th
2005-06	170.6	6 th
2006-07	175.0	5 th
2007-08	169.3	6 th
2008-09	227.3	5 th
2009-10	170.6	5 th
2010-11	110.5	5 th
2011-12	129.9	5 th
2012-13	149.0	5 th
2013-14	209.8	4 th
2014-15	- 72.3	
Total	1,782.5	

Source: State Bank of Pakistan www.sbp.org.pk

4.2 Flux d'investissement bilatéral

From 2008-2013, Switzerland remained at the 5th position in terms of FDI inflows in Pakistan and then in 2013-14, it stood at the 4th position with USD 209.8 million investments. In 2013-14, Switzerland stood just behind China, Hong Kong and USA by way of the gross volume of FDI inflows in Pakistan. Despite figuring among the leading foreign investors in Pakistan during the last ten years, in 2014-15, the FDI inflows of the country decreased immensely and recorded a negative USD 72.3 million. The negative figure was, perhaps, on account of repatriation of profits by Switzerland. Overall, in 2014-15, the total FDI inflows for Pakistan stood at USD 709.3 million which was 58.2% less than the FDI received in the previous fiscal year.

However, during the months of July and August 2015-16, the country received an FDI inflow of USD 119.3 million. The largest contributor to the FDI in the two months of 2015-16 was China (USD 131.5 million), followed by the UAE (USD 30.2 million) and Switzerland (USD 23.1 million).

There are also a remarkable number of Swiss multinationals successfully operating in Pakistan. Currently, the following 23 Swiss based multinational companies are operating in the country: ABB, Archroma, Bühler, Clariant, Crédit Agricole, Fracht, Gate Gourmet, Givaudan, Habib Bank AG Zürich, Habib Metropolitan Bank, Mövenpick Hotel, Nestlé, Nexus Telecom, Novartis, Parazelsus, Philip Morris (Pakistan) Limited, Polygal Habib Gums NV, Roche, SGS, SICPA INKS, Sika Pakistan, Swiss International Airlines and Syngenta. These companies provide direct employment to about 12,000 persons and a multiple number of third party contract workers in Pakistan.

Though growth is expected in the volume of business during the fiscal year 2015-16 some challenges faced by businesses in Pakistan hinder the process of investment. Impediments include the law and order situation, energy deficiency, political uncertainty, cost of operations, bureaucracy and fluctuation of Rupee-Dollar / CHF parity among others. By the end of June 2007, 1 CHF was equal to about PKR 50.00 whereas by the end of June this year, 1 CHF equals PKR 108.00 - an appreciation of more than 100% over a period of six years.

Despite the abovementioned challenges, Pakistan has a great potential for growth. The economic outlook is slow at the moment but can become brighter in the future provided serious efforts are made for economic revival by the government.

4.3 Prospects for Swiss Investment:

During the year, delegations from the Embassy, the Consulate General (CG) and the Swiss Business Council (SBC) in Karachi visited the local Chambers of Commerce & Industry and had interactions with officials there.

The Embassy delegations interacted with the Swiss and the local Pakistani business community. In a meeting of the Embassy with the Lahore Chamber of Commerce, it was decided that a plan would be made for the visit of a delegation comprising of the members of the business chambers falling within the jurisdictional competence of the Embassy in 2016. Other than this, the Embassy is also in the process of arranging a Swiss Watch Fair – expected to be held in Lahore in mid-November 2015.

Representatives of the Embassy and the Consulate General met last September in Islamabad with Mr. Riaz Malik (Bahria Town). Following this, the Consulate General facilitated business contact between ETH Future Cities-Singapore and Bahria Town-Karachi for possible technical collaboration in areas of urban planning, environmental sustainability. The Consul General met with the Chairman of Pakistan International Airlines for business collaboration with Gate Gourmet (JV for flight catering kitchen at Lahore International Airport). In January, the Consul General and Patron of Swiss Business Council (SBC) accompanied by the President SBC, Head of Commercial Section of the Consulate General, and the Manager SBC, led the delegation to attend the Pakistan Breakfast Event at the World Economic Forum - 2015 in Davos.

The Consulate General remobilized the SBC and the Punjab Board of Investment and Trade (PBIT) to sign the Memorandum of Understanding (MoU), which was signed on 26.03.2015 in Lahore and it has led to the creation of Pak-Swiss Facilitation Desk. Thanks to this arrangement, Sika AG is now ready with investment of USD 4.0 Million to establish its manufacturing unit. It merits mentioning that along with funds, technology will also be transferred, which will create employment opportunities for at least one hundred (100) people.

Later this year, a fact finding mission comprising of Swiss Small and Medium Enterprises (SMEs), are planning to visit Karachi and Lahore to hold useful business-2-business meetings with potential Pakistani companies in the areas of waste water management, infrastructure, renewable energy, and food processing. SBC and Switzerland Global Enterprise (S-GE; formerly OSEC) in collaboration with the Embassy and Consulate General are organizing this.

Pakistan has opportunities in the areas of power generation, manufacturing industry, and infrastructure projects. The meetings revealed that the Swiss companies - through their vast expertise, competitive knowledge and after-sales services - are ready to assist their Pakistani partners in these areas by providing premium efficient solutions (including renewable energy) to overcome the power crises, smart machinery for large and medium industrial units, and innovative solutions to revamp urban infrastructure and transportation services including locomotives. Also, Pakistan needs sustainable advancement in food management and its processing including value addition.

5. Promotion commerciale, économique et touristique, Landeswerbung

5.1 Instruments de la promotion économique extérieure

Les services commerciaux de l'Ambassade d'Islamabad et du Consulat Général de Karachi ainsi que le Swiss Business Council (SBC) sont les principaux instruments de la promotion économique suisse sur place. Les requêtes d'entreprises ou d'organisations faitières suisses ou pakistanaises sont traitées directement par ces services ou transmises aux partenaires compétents. La collaboration entre les divers attachés commerciaux de l'Ambassade ou du CG Karachi avec Swiss Global Enterprise (S-GE ; ex-OSEC) est bonne et les contacts réguliers. Les interactions avec d'autres acteurs de la promotion économique suisse, (par ex. Suisse tourisme) sont moins fréquentes car ces entités sont peu actives au Pakistan.

Le Swiss Business Council (SBC), institution fondée en mai 2008 et dont les membres sont les firmes multinationales suisses actives au Pakistan, est un élément important de la présence économique suisse. L'organisation d'événements et de voyages de délégations en Suisse ou au Pakistan font partie des instruments de promotion de la place économique suisse à la disposition du SBC. A l'initiative du Consulat Général et du SBC, une délégation d'affaire pakistanaise s'en rendue en Suisse en mai 2011, voyage organisée en coopération avec le SACC et ayant pour thèmes principaux les outils et machines, textile, finances (bourse), mines (métaux précieux, minéraux et pierres) et produits agricoles. Le SBC s'est imposé comme un partenaire stratégique important de l'Ambassade et du Consulat Général permettant une meilleure appréciation des difficultés et opportunités rencontrées par les entreprises suisses au Pakistan grâce aux fréquents échanges d'information. Les manifestations à caractère publicitaire au profit de l'économie suisse sont organisées avant tout par le Consulat Général de Karachi, pour autant que les conditions de sécurité le permettent.

The Consulate General of Switzerland organized 100 days and nights "Pakistan-Switzerland Friendship Exhibition", which was the first-of-its-kind informative exhibition, to be ever held in Pakistan at the Jinnah International Airport, Karachi. This unique event was held in collaboration with the SBC as co-organizer, Pakistan Civil Aviation Authority (CAA) as Venue Partner and with Badar Expo Solutions as Event Manager.

The objective of this activity was to celebrate the long, friendly, bilateral relations between the two countries, to promote the positive image of Pakistan, and to ultimately attract more foreign direct investment to the country. Twenty-three (23) brands actively participated in the exhibition. SBC and its members were also sponsors of the event. To create awareness, weekly contests were also held in which visiting passengers and people followed the Consulate General's Facebook page - www.facebook.com/SwissConsulateKarachi - took part and won exciting prizes, including three return tickets to Switzerland sponsored by SWISS.

The two life-size models of Swiss cows painted in the traditional Pakistani truck painted by team of Phool Patti in international and domestic satellite areas were the center of attraction. Notable personalities (politicians, government officials, tourists, and pilgrims), signed the cows for charity. In order to empower the Pakistani youth talent, the Consulate General has also engaged ten (10) bright and dynamic student facilitators to be able to interact with the visiting passengers and provide them useful information. Over 500'000 visitors including passengers, airport and airlines staff visited and showed interest in the exhibition. 60'000 people 'liked', 'followed', and 'shared' the Consulate General's Facebook, which now has over 70'000 followers. As a result of this activity, 53 new business-2-business leads have also been generated and passed onto relevant Swiss and Pakistani companies.

5.2 Intérêt pour la Suisse comme lieu de villégiature, d'éducation et autres services, potentiel de développement

La Suisse jouit d'une très bonne réputation au Pakistan, renom basé en partie sur les clichés usuels. Notre pays est perçu comme une oasis de stabilité politique, de tolérance et de paix, à quoi s'ajoute la beauté de ses paysages et la richesse de son offre touristique. Cette perception reste très largement positive, même si les développements politiques récents en Suisse (Initiative contre la construction des minarets ou Initiative cantonale tessinoise pour l'interdiction de la burqa) pourraient avoir un impact sur le long terme. Motifs d'émigration mis à part, l'intérêt de voyager en Suisse se limite pourtant à la classe possédante, numériquement peu nombreuse mais dont les moyens sont considérables, et à la classe moyenne-supérieure.

En 2012, l'Ambassade a délivré 2857 visas pour 3547 demandes déposées. La majorité des requérants se sont rendus en Suisse pour raisons d'affaires et pour des missions officielles auprès d'organismes internationaux basés à Genève. Une minorité de visas concerne les voyages touristiques, Genève, l'Oberland Bernois (Interlaken) et Zurich étant les destinations de choix de nos hôtes pakistanais. La Suisse compte un certain nombre de visiteurs récurrents, même si souvent l'homme se rend d'abord seul dans notre pays avant d'y emmener sa famille pour faire partager son expérience. L'Espace Schengen est aussi une facilité très appréciée par les hommes d'affaires pakistanais, pour lesquels l'obtention répétée de visas représente un obstacle important à leurs déplacements professionnels.

Un nombre limité de citoyens pakistanais se rend annuellement en Suisse pour des motifs de formation, avant tout les enfants de la classe possédante qui incorporent des écoles privées. Par ailleurs, on compte quelques étudiants pakistanais à l'ETH ou dans les écoles hôtelières renommées qui jouissent d'une très bonne réputation au Pakistan. En 2014, la Confédération a accordé 14 bourses à des étudiants de niveau doctorat et recherche pour intégrer l'une ou l'autre de nos universités ou EPF. La grande partie des demandes de visa d'étudiant a pour motif la participation à un cursus en management hôtelier. Cet intérêt gravite souvent autour d'institutions de piètre réputation, ce qui suggère plutôt un motif d'immigration, nuisant de la sorte à l'image des institutions suisses de la branche, dont la réputation n'est plus à démontrer.

Notre pays a sans aucun doute un potentiel de développement en tant que destination de vacances. Malgré le fait que le nombre de touristes pakistanais n'augmentera que peu dans un proche avenir, cette clientèle bénéficie d'un haut pouvoir d'achat et considère la Suisse comme une destination attractive, et ce pour des occasions récurrentes. Le Pakistan a aussi une classe moyenne, peu nombreuse mais entreprenante, dont les désirs de voyages pourraient également bénéficier au tourisme helvétique, à l'identique de ce que nous observons dans d'autres pays émergents en Asie.

Notons aussi l'intérêt porté par l'industrie pakistanaise pour les machines produites en Suisse, ainsi que l'attrait de notre pays comme marché d'exportation pour certains produits agricoles exotiques, comme les fruits.

5.3 Intérêt pour la Suisse comme lieu d'investissement, potentiel de développement

Mise à part la United Bank Limited (UBL) disposant d'une succursale à Zürich (United Bank AG, Zurich), il n'y a pas d'entreprise pakistanaise active en Suisse. On pourrait cependant considérer comme investissements pakistanais dans notre pays ceux réalisés par la main d'œuvre immigrée, par exemple dans la branche de la restauration. Un développement de ces investissements dans un proche avenir ne paraît pas envisageable.

5.4 Intérêt pour la place financière suisse, potentiel de développement

La place financière partage la même image positive que la Suisse en général. Même si les accusations relatives à la présence en Suisse de fonds d'origine criminelle font régulièrement surface cela n'a que peu d'influence sur un tableau satisfaisant parmi les clients et professionnels du secteur. Le débat récent portant sur le principe du secret bancaire reste largement inconnu au Pakistan, tout comme les modifications de la législation sur la place financière suisse.

Le potentiel de développement dans ce domaine est certain. Alors que de nombreux Etats tiers ont introduit d'importantes restrictions en matière de transfert de fonds suite au 9/11, les investisseurs pakistanais sont contraints de chercher d'autres débouchés pour leurs capitaux. Ceci représente pour les banques suisses un potentiel de développement intéressant, en particulier en matière de clientèle privée, même si le nombre de clients potentiels devrait rester marginal en comparaison relative avec d'autres marchés.

6 Liens Internet utiles

Government agencies responsible for main statistics (foreign trade, investments)	
State Bank of Pakistan	sbp.org.pk
Pakistan Bureau of Statistics	www.pbs.gov.pk/
Pakistan Council of Research in Water Resources	pcrwr.gov.pk
Privatisation Commission	privatisation.gov.pk
Private Power and Infrastructure Board	ppib.gov.pk
Pakistan Software Export Board	pseb.org.pk
Sustainable Development Policy Institute	sdpi.org
Securities and Exchange Commission of Pakistan	secp.gov.pk
National Tariff Commission	ntc.gov.pk
Trade Development Authority of Pakistan	tdap.gov.pk
Federal Board of Revenue	fbr.gov.pk
Board of Investment	boi.gov.pk
Ministries, government agencies, regional bodies, key people	
The Official Web Gateway to the Government of Pakistan	pakistan.gov.pk
The Government of Pakistan Information Home Page	infopak.gov.pk
Ministry of Science and Technology	most.gov.pk
Ministry of Foreign Affairs	mofa.gov.pk
Ministry of Finance	finance.gov.pk
Ministry of Commerce	commerce.gov.pk
Ministry of Economic Affairs and Statistics	ead.gov.pk
Ministry of Textile Industry	textile.gov.pk
Ministry of Industries and Production	moip.gov.pk
Swiss Business Council	swissbusinesscouncil.com.pk
The Federation of Pakistan Chambers of Commerce and Industry (FPCCI)	fpcci.com.pk
All Pakistan Textile Mills Association (APTMA)	aptma.org.pk
Daily newspapers, press agencies	
The Dawn	dawn.com

The News	thenews.com.pk
Daily Times	dailytimes.com.pk
Daily Express Tribune	tribune.com.pk
Business Recorder	brecorder.com
Weekly Pakistan & Gulf Economist	pakistaneconomist.com
Associated Press of Pakistan (APP)	app.com.pk
Swiss Global Enterprise S-GE (former OSEC) website	s-ge.com/en

ANNEX 1

Pakistan: Structure of the Economy

Sectoral Share in Gross Domestic Product			
	2012-13	2013-14	2014-15 (P)
Share of GDP (%)			
Commodity Producing Sector	41.8	41.6	41.2
- Agriculture	21.4	21.2	20.9
- Manufacturing	13.4	13.4	13.3
Services	58.2	58.4	58.8

Source: Pakistan Economic Survey 2014-15, www.finance.gov.pk

Employment Shares by Industry (%)		
Major Industry Divisions	2012-13	2013-14
Agriculture	43.71	43.48
Mining and Manufacturing	14.20	14.16
Construction	7.44	7.33
Electricity and Gas	0.53	0.48
Transport	4.98	5.44
Trade	14.39	14.58
Others	14.75	14.53

Source: Pakistan Bureau of Statistics (Labour Force Survey 2012-13) as quoted in Pakistan Economic Survey 2014-15, www.finance.gov.pk

ANNEX 2

Pakistan: Wichtigste Wirtschaftsdaten⁷

	2010	2011	2012	2013	2014	2015
GDP (USD billion)	177.6	213.7	225.6	238.7	250.14	n/a
GDP/capita (USD units)	1,034.3	1,219.2	1,260.7	1,307.5	1,342.73	n/a
Inflation, average consumer prices (% change)	10.104	13.661	11.005	7.361	8.621	4.725
Current account balance (% of GDP)	-2.222	0.100	-2.065	-1.046	-1.238	-1.294
Net debt (% of GDP)	57.924	56.220	60.522	60.343	60.970	60.825
Current Account Balance (USD billion)	-3.946	0.214	-4.658	-2.496	-3.096	n/a

* The table gives IMF estimates only

⁷ Sources: [IMF – World Economic Outlook](#), April 2015



Formulaire CH@WORLD: **A352**
(*Annexe 3 du Rapport économique A754*)

Représentation suisse à: Islamabad	
Pays: Pakistan	Date de la dernière mise à jour: 21.09.2015

Partenaires économiques

Perspective selon le pays de résidence

Cumulative Exports of Goods to Major Countries

<i>(Thousand US Dollar)</i>				
COUNTRY / TERRITORY	July – June			
	2011-12	2012-13	2013-14	2014-15 (P)
A. Latin America	29,922	34,021	28,554	32,415
B. Central America	167,001	159,013	148,948	151,470
Mexico	113,191	112,137	106,087	112,874
C. South America	347,358	332,068	344,870	295,009
D. North America	4,162,922	4,107,721	4,203,323	4,202,983
Canada	225,688	227,774	251,442	251,895
U. S. A.	3,935,653	3,878,610	3,952,490	3,598,985
E. Eastern Europe	486,724	487,833	507,456	492,155
Russian Federation	206,977	234,906	214,608	192,942
F. Northern Europe	1,722,798	1,842,555	2,106,308	2,117,125
Denmark	93,112	107,046	123,447	120,769
Sweden	123,147	128,951	138,938	149,564
U. K.	1,298,196	1,365,190	1,599,965	1,634,136
G. Southern Europe	1,437,742	1,294,742	1,592,029	1,817,060
Italy	672,058	555,800	671,489	732,749
Spain	534,340	537,118	640,421	788,058
H. Western Europe	2,672,365	2,482,557	2,800,171	2,890,752
Belgium	465,387	424,275	471,560	496,013
France	481,208	454,018	526,540	501,878
Germany	1,146,529	1,022,271	1,171,020	1,213,704
Netherlands (Holland)	424,810	446,466	515,990	555,325
Switzerland	123,505	103,387	71,310	94,047
I. Eastern Africa	657,506	669,761	744,790	758,690
J. Middle Africa	54,933	52,905	65,276	70,872
K. Northern Africa	342,742	302,256	278,823	259,297
L. Southern Africa	301,638	296,347	318,761	277,077
M. Western Africa	235,463	256,733	278,365	280,044
N. Eastern Asia	3,354,147	3,795,290	3,763,434	3,310,257
China	2,084,314	2,697,594	2,687,540	2,319,112
Hong Kong	523,431	494,846	487,266	401,660
Japan	225,321	187,972	201,697	245,563
South Korea	499,909	407,360	379,070	336,423
O. South Central Asia	2,835,914	2,546,478	2,746,617	3,126,163
Afghanistan	1,382,545	1,058,560	1,244,772	1,694,931
Bangladesh	660,612	678,233	724,123	689,400
India	332,977	328,207	423,027	414,577
Iran	131,425	94,328	54,503	31,448

<i>(Thousand US Dollar)</i>				
COUNTRY / TERRITORY	July – June			
	2011-12	2012-13	2013-14	2014-15 (P)
Sri Lanka	300,121	344,706	260,197	252,939
P. South Eastern Asia	1,109,452	1,113,148	1,167,066	1,298,924
Indonesia	194,393	211,157	128,068	137,301
Malaysia	228,970	212,352	200,702	187,771
Singapore	139,835	206,945	398,500	523,388
Q. Western Asia	3,725,267	3,524,985	3,408,929	2,834,020
Saudi Arabia	455,854	509,301	501,700	496,193
Turkey	607,270	414,102	366,170	322,597
United Arab Emirates	1,946,834	1,935,488	1,714,810	1,294,894
R. Australia & New Zealand	237,470	225,406	225,095	237,868
S. Others	119,477	132,718	117,700	136,874
I. Export Receipts through Banks	24,000,840	23,656,536	24,848,045	24,589,057
II. Freight on Export	555,030	535,320	599,750	559,840
III. Export Receipts Banks (fob) (I-II)	23,445,810	23,121,216	24,248,295	24,029,217
IV. Other Exports	1,209,100	1,623,210	829,599	118,143
Total Export as per BOP (III+IV)	24,654,910	24,744,426	25,077,894	24,147,360

Note: P = Provisional

Source(s): State Bank of Pakistan www.sbp.org.pk

Cumulative Import of Goods from Major Countries

<i>(Thousand US Dollar)</i>				
COUNTRY / TERRITORY	Jul-Jun			
	2011-12	2012-13	2013-14	2014-15
A. Latin America	89,772	214,245	79,275	57,257
B. Central America	28,217	24,561	25,284	66,393
C. South America	144,018	131,495	143,842	305,049
D. North America	1,155,452	1,173,147	1,274,967	1,488,093
Canada	365,098	151,321	148,762	289,010
U. S. A.	789,434	1,019,168	1,125,583	1,197,089
E. Eastern Europe	364,541	280,456	449,399	512,996
Russian Federation	87,837	108,015	127,520	76,135
F. Northern Europe	1,226,168	1,290,832	1,192,748	1,316,697
U. K.	699,248	825,537	800,865	707,838
G. Southern Europe	460,899	553,220	529,667	529,860
Italy	303,148	391,850	354,822	346,752
Spain	93,928	78,404	107,042	123,682
H. Western Europe	3,698,191	3,224,033	3,121,792	2,844,437
Belgium	326,621	430,305	427,761	328,009
France	414,002	462,487	391,597	426,896
Germany	1,174,918	974,008	987,370	895,303
Netherlands (Holland)	323,091	401,066	462,071	355,183
Switzerland	1,311,862	793,014	677,531	647,937
I. Eastern Africa	262,937	296,577	340,375	378,513
J. Middle Africa	4,028	115,117	5,179	11,330
K. Northern Africa	504,286	469,245	326,641	427,267
L. Southern Africa	260,657	212,105	362,105	281,923
M. Western Africa	90,180	99,674	69,805	87,287
N. Eastern Asia	7,025,806	7,283,709	8,581,777	9,862,447
China	4,314,234	4,761,513	5,979,885	7,004,751
Hong Kong	503,987	508,384	575,794	776,612
Japan	1,553,952	1,433,398	1,397,804	1,401,250
South Korea	647,882	573,243	622,726	672,678
O. South Central Asia	1,523,872	1,905,465	1,935,845	1,580,631
Afghanistan	13,090	44,905	49,856	37,400
India	1,253,405	1,677,232	1,757,172	1,423,897
Sri Lanka	55,258	67,057	59,003	47,277
P. South Eastern Asia	6,362,093	6,319,525	6,745,175	6,795,217
Indonesia	673,890	700,311	893,125	1,112,023
Malaysia	2,156,300	1,772,785	1,277,608	814,298
Singapore	2,806,149	3,176,166	3,843,744	4,038,426
Thailand	579,786	552,325	611,813	634,051
Q. Western Asia	15,706,259	14,827,836	16,056,224	14,228,736
Bahrain	188,558	168,936	71,614	132,583
Kuwait	3,804,102	3,432,778	3,118,292	2,218,358
Saudi Arabia	4,795,678	4,019,247	4,287,699	3,313,012
Turkey	154,814	207,177	223,480	238,448
United Arab Emirates	6,426,200	6,376,935	7,308,301	7,404,193
R. Australia & New Zealand	425,749	578,961	328,076	381,601
S. Others	332,507	359,416	220,035	225,886
I. Import Payments (Banks)	39,665,633	39,359,618	41,788,212	41,381,618
II Freight & Insurance	2,379,938	2,361,577	2,507,293	2,482,897
III Import Payments Banks (fob) (I-II)	37,285,695	36,998,041	39,280,919	38,898,721
IV Other Imports	2,750,166	2,802,551	2,387,213	2,236,520
Total Import as Per Bop (III+IV)	40,035,861	39,800,592	41,688,133	41,135,241

Note: P = Provisional

Source(s): State Bank of Pakistan www.sbp.org.pk

ANNEXE 4

Pakistan: Handelsverkehr

Der Aussenhandel zwischen den beiden Ländern zeigt ein ausgesprochen komplementäres Bild: Die Schweiz exportiert namentlich hochwertige Chemie-, Pharma- und Maschinenprodukte, während Pakistan eine starke Konzentrierung auf Textilprodukte verschiedenen Verarbeitungsgrads sowie Landwirtschaftsprodukte ausweist. Traditionellerweise hat die Schweiz mit Pakistan einen Handelsüberschuss.

Entwicklung des Handels⁸

Jahr	Exporte (CHF Mio.)	Veränderung zum Vorjahr	Importe (CHF Mio.)	Veränderung zum Vorjahr	Handelsbilanz
1990	292.4	14.1%	56.8	14.5%	235.6
1995	237.8	16.1%	40.5	-19.6%	197.3
2000	222.5	36.2%	47.3	4.0%	175.2
2001	238.4	7.1%	38.2	-19.2%	200.2
2002	203.1	-14.8%	40.2	5.2%	162.9
2003	245.5	20.9%	36.7	-8.9%	208.9
2004	340.2	38.5%	42.2	15.3%	297.9
2005	359.0	5.2%	46.0	8.8%	313.0
2006	327.5	-8.8%	65.9	43.2%	261.6
2007	330.1	0.8%	71.8	9.0%	258.3
2008	405.1	22.7%	70.1	-2.4%	335
2009	320.3	-21%	63.1	-10%	257.2
2010	295.04	-7.8%	62.7	-0.6%	232.3
2011	279.6	-5.3%	72.5	15.3%	207.1
2012 ⁹	261.2	-6.6%	107.70	48.1%	153.5
2013	277.79	+6.4%	97.44	-9.5%	180.35
2014 (prov.) (ohne Gold)	273.7	-1.5%	107.8	10.5%	165.9
2014** ¹⁰ (prov.) (neu : mit Gold)	273.8	-1.4%	97.6	-9.4%	180.2
2015 (I-II)	54.8	-1.5%	107.8	10.5%	165.9

⁸ Quelle: Eidg. Zollverwaltung

⁹ Dès 2012, modification de la méthode de calcul des importations (passage du pays de production au pays d'origine) www.ezv.admin.ch/themen/00504 (mars 2012), ce qui rendra difficile la comparaison avec les années précédentes.

¹⁰ ** **Handelszahlen ink. Gold, Silber und Münzen:** Ab dem 01.01.2014 wird der Aussenhandel mit Gold, Silber und Münzen nach Ländern ausgeschlüsselt und als Bestandteil der Schweizer Aussenhandelsstatistik (Gesamttotal) in der Online Datenbank [Swiss-Impex](http://www.swiss-impex.ch) integriert. Infolgedessen sind Vergleiche zwischen 2014 und den vorhergehenden Jahren nicht mehr möglich.

Wichtigste Produkte

In Mio CHF

Description	2010	2011	2012	2013	2014	%
Pharmaceuticals	110.14	107.90	100.68	139.47	109.19	-21.7
Chemicals	43.07	37.44	35.98	38.74	46.38	+19.7
Machines	68.41	68.27	57.41	45.65	68.00	+48.9
Watches	23.82	23.67	29.95	22.99	17.58	-23.5
Others	49.84	42.41	37.13	30.94	32.51	+5.0
Total	295.28	279.69	261.15	277.79	273.66	-1.5

+/-% change from last year

Source: Swiss Customs Administration

In Mio CHF

Description	2010	2011	2012	2013	2014	%
Textiles	40.78	44.09	59.70	60.97	69.01	+13.1
Agricultural products	12.79	17.21	31.56	17.34	16.86	-2.7
Others	9.34	11.43	16.46	19.13	21.93	-14.6
Total	62.91	72.73	107.72	97.44	107.80	+10.6

+/-% change from last year

Source: Swiss Customs Administration

Exportrisikogarantie (ERG)

Risikokategorie: 6¹¹

Garantien für langfristige Kredite sind nicht offen.

¹¹ ERG Kategorie 1 (bestes Risiko) Kategorie 7 (schlechtestes Risiko).



Formulaire CH@WORLD: **A356**
(*Annexe 5 du Rapport économique A754*)

Représentation suisse à: Islamabad	
Pays: Pakistan	Date de la dernière mise à jour: 21.09.2015

Principaux pays investisseurs

Net Foreign Direct Investment in Pakistan (Million USD)

Country	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 (July)
USA	869.9	468.3	238.9	227.7	223.0	212.1	238.7	(49.8)
UK	263.4	294.6	208.1	205.8	623.3	157.0	99.9	6.9
Switzerland	227.3	170.6	110.5	127.1	149.0	209.8	(72.3)	21.6
China	(101.4)	(3.6)	47.4	126.1	90.6	695.8	229.5	53.5
Hong Kong	156.1	9.9	125.6	80.3	242.6	228.5	83.6	0.1
U.A.E	178.1	242.7	284.2	36.6	19.9	(47.1)	222.4	15.3
Germany	76.9	53.0	21.2	27.2	5.7	(0.5)	(10.7)	(1.1)
Korea (South)	2.3	2.3	7.7	25.4	25.8	24.4	15.5	(0.6)
Japan	74.3	26.8	3.2	29.7	30.7	30.1	58.2	2.0
Saudi Arabia	(92.3)	(133.8)	6.5	(79.9)	3.2	(40.1)	(127.9)	(10.6)
Norway	101.1	0.4	(48.0)	(275.0)	(258.4)	(21.6)	2.8	0.1
Others	1,964.2	1,019.6	631.6	289.7	283.6	224.4	(30.4)	37.6
Total including Pvt. Proceeds	3,719.9	2,150.8	1,573.6	820.7	1447.3	1667.6	709.3	75.0
Privatization Proceeds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FDI Excluding Pvt. Proceeds	3,719.9	2,150.8	1,634.8	820.7	1,456.5	1,698.6	709.3	75.0

Note: Pakistan's Fiscal Year runs from July 1 until June 30. The figures in brackets are in negative.

Source: Board of Investment www.pakboi.gov.pk