



**BALUCHISTAN BOARD OF
INVESTMENT & TRADE **BBoIT****



EXPRESSION OF INTEREST



 WWW.BBOIT.GOB.PK/INVEST

 invest@bboit.gov.pk

 +92-311-0225500

 @bboitpk

 @BBoIT1

 @Balochistanboit

 Balochistan BoIT

Expression of Interest

Investment in Balochistan

Background:

The province of Balochistan is situated in the southwest of Pakistan. It covers about 44% of Pakistan's total land mass. Not just is Balochistan the largest area by land but also the province with huge untapped reserves of minerals, coal, natural gas and numerous valued treasures. The province has a great deal to explore the investment potentials. The infant hub of investment awaits investors for its growth and development. The Government of Balochistan is inclined to assist investors across the globe to explore the resources and potentials of Balochistan by providing incentives including Special Economic Zones, Trade Free Zones, Tax Incentives, Special Technology Zones, Export Processing Zones and much more. As Balochistan is blessed with boundless natural resources, and mesmerizing aesthetics with a range of topographies from mountain ranges to sea shores, and a range of climates from extremely cold zones to extreme summers, unlocking numerous potentials for investment. Strategically located, Balochistan opens door to multiple countries in the Gulf Region, Central Asian, Middle Eastern and North African markets. It is considered as a key player in the global trade market.

Balochistan Board of Investment & Trade:

Balochistan Board of Investment & Trade (BBoIT) is a focal agency and single point of contact for all investment related matters and is managed by Honorable Chief Minister of Balochistan as its Chairman. It is registered as a Non-Profit Organization established under Section 42 of the Companies Act 2017. BBoIT has a twofold mandate; investment promotion and investor facilitation.

Being the focal agency, BBoIT provides One-Window-Operations to all investors by facilitating local and foreign investors in every way possible and providing them with the necessary ease of doing business in all stages of the business cycle namely starting a business, operating a business and dissolving a business thus achieving its vision of: "an investment and trade friendly, economically progressive and prosperous Balochistan". For this purpose, the province is offering substantive incentives to its investors in every possible way.

Balochistan allows 100% foreign ownership for investors without the need of a local partner. There is also no restriction on foreign real estate development. Further, as per the National Investment Policy; there is no minimum requirement for the amount of foreign equity that can be invested. Moreover, there is an option for the investors to repatriate profits, dividends or any other funds to foreign investor's currency of origin.

Expression of Interest:

The purpose of inviting the Expression of Interest (EoI) is to facilities and fast track the investment inflow to the province. The Government of Balochistan is prepared to invite investors from around the globe to explore the potentials and opportunities in the region. The proposals can be in the form of a Business Pitch, Concept Note, Business Plans etc.

The Expression of Interest submitted should cover but not limited to the information required in **Appendix-1**

The EoI can cover a range of sector. For more information about the potentials in Balochistan, a summary is provided in **Appendix-2** to this document. Balochistan Board of Investment & Trade has also prepared an Investment Guide for such information which is available at: <http://bboit.gob.pk/investmentguide/>

All proposals received will be examined on a monthly basis, on the first Monday of the subsequent month. The top ten projects will be processed on a priority basis in collaboration with the relevant Government Departments providing a Green Channel for Investors.

The valuation and prioritization criteria of the proposals received will be based on the following factors:

- Economic Viability
- Financial Feasibility
- Technical Viability
- Contribution to the Local Economy

Innovative ideas will also be given preference based on the uniqueness, efficiency and effectiveness of the ideas.

Interested investors are highly appreciated to send their Expression of Interest through either of the following mediums

- Uploading Online on: **www.bboit.gob.pk/invest**
- Emailing on: **invest@bboit.gob.pk**
- Mailing on any of the following addresses

Quetta

House No. A-2, Chaman Housing Scheme, Quetta

Islamabad

Office# 109, Balochistan House, Sector F-5/2, Islamabad.

Confidentiality

Any information obtained through the Expression of Interest will be kept strictly confidential and will protect the intellectual property of the sender. The information will not be shared with anyone without their prior permission and approval of the sender.

APPENDIX 1 – Information Checklist

ABOUT THE COMPANY	
1	Name of the company
2	Contact Number
3	E-mail Address
4	Business Address
5	Country of Origin
6	Countries of Operations
7	Company Profile <ul style="list-style-type: none">• About the Company• Board of Directors• Nature of Business• Products/Services

AREA OF INTEREST	DESCRIPTION
Sector(s)	Sector and specific Sub Sector of Interest
Mode of operations	Joint Venture, Public-Private Partnership, Sole Proprietorship etc.
Assistance required from Government of Balochistan if any	Land, Human Resource, Financing etc.
Reliable business plan	Detailed Proposal

APPENDIX 2 - Sectoral Guide to Investment in Balochistan

1. Agriculture Sector:

Balochistan being the fruit basket of the country has a vast economic potential in agriculture. There are many areas in the province which are appropriate and fruitful for the growth of rewarding crops with high export potential. Some advantages of investing in agriculture sector of Balochistan are: approachability of skilled and economical labour force, availability of irrigated land, accessibility of 5 different agro-ecological zones (producing both high and low delta crops plus fruits) and possibility of lofty investment returns. The major crops of the province are wheat, rice, maize, bajra, jowar, barley. Also, a variety of major fruits are produced in the province which include apricots, almonds, olives, pistachios, cherries, walnuts, peaches, grapes, olives, plums, dates and much more. The share of grapes, cherries and almonds is 90 percent in the country's production. It also contributes 34 percent of the output of apples. There is potential for a Fertilizer and Pesticide Industry, as currently no local industry operating in the area, and is purchased from other Provinces. The building of Cold Storages & Packaging houses is required for keeping fruit produce fresh for longer periods, and making them marketable. By using Farm Services can enhance the productivity of the industry. The climate of Balochistan makes it a suitable place for tunnel farming with low investment and high return on it. The processing of fruits will make them more marketable e.g. apple polishing. All of these have immense commercial value.

2. Livestock Sector:

The livestock sector of Balochistan is one of the most significant components of the province's economy. Livestock includes poultry, dairy, camels, sheep, goats and their by-products, which contribute around 50 per cent of the total provincial agricultural output. The total contribution of livestock is Rs. 20 billion with share of meat 40 percent, milk 35 percent, eggs 13 percent, skin, hides and wool 10 percent and others 2 percent. There is potential in improved livestock practices such as advanced milk production practices and improved breeds of farm animals. The province annually produces 28,000 tons of beef and 204,000 tons of mutton. Still, there can be increase in meat production by improving the nutrition of animals. With the high quality of mutton and beef, slaughter houses and cold storages can make the meat produce exportable. Milk production can likewise be largely increased using modern breeding techniques. Hide & Skin Processing. Livestock is one of the major pillars of the economy of Balochistan. However, due to the lack of technical assistance to process and market them, a lot of it gets wasted. Livestock has much historic importance, and the value addition to it will positively impact the society and contribute to poverty alleviations. As 70 percent population of the province is directly or indirectly linked with livestock related activities. There is a lot of unripe potential in the sector which lurks investors.

3. Fisheries Sector:

The coast of Balochistan extends from the mouth of Hub River in the east to the middle of the Gwadar Bay in the west, and stretches over a distance of about 770km. Fisheries sector contribute significantly to the economy of Balochistan, and is considered a great source of livelihoods for the coastal communities. The 80 percent of the total fish from the provincial coast is exported to the Middle East, Central and South Asia, along with many other Worldwide destinations. In coastal areas, fisheries accounts for up to 70% of the local employment. Fish product exports from Pakistan account for approximately US \$8 million; this ranks fourth among export commodities, with a significant share originating from Balochistan. The fisheries sector can clearly generate greater net benefits for rural economic growth and social development. Balochistan's fishery sector also follows some global trends, but it is not being fully apprehended and demands alike investors to unbar the unrealized potentials. With the high quality of fish breeds; processing, canning and cold storages can make the catch exportable to other countries. Again, due to availability of natural lakes and water bodies in the province, there is huge potential for developing fish farms and hatchery. Boat manufacturing and shipbreaking can make effective industries in terms of providing potential for industrialization of the sector.

4. Energy Sector:

The province of Balochistan is rich in renewable resources like Solar power, wind energy, geothermal and micro-hydro systems. These are among the various resources in Balochistan for alternate and renewable energy. Balochistan has a long coastline with generous wind energy potential. An average wind speed of 5-7 meters per second is suitable for wind power generation, which exists in most of the areas of Balochistan, such as Noshki, Naukundi, Ormara, Turbat, Pasni, Lasbela and Khuzdar. The stand-alone wind-power units connected to isolated systems are better solutions, since more than half of the population in Balochistan is still not connected to the national grid. Balochistan has full capacity of generating energy through alternative resources, particularly from its natural resources. The solar power is the untapped potential of the province and has a vast scope to discover for future prospects. The Alternate & Renewable Energy Policy for Pakistan offers: generous tax facilities to investors with 0% Tax on Renewable Equipment, Opens competitive bidding for lowest tariff and technology transfers. It also aims to reduce tariff to 4 cents. Various schools, agricultural activities, tube-wells and streets lights entails to be shifted to solar energy in the near future in the Province.

5. Tourism and Hospitality Sector:

Tourism is a developing industry in Balochistan as a whole, and has much potential in the province. It provides both coastal tourism as well as in-land tourism with a wide range of tourist attraction points. The province has immense opportunities in beaches, mountain valleys and deserts. There is also huge potential in the entertainment sector, as there is room for construction of cinemas, sports and recreational arenas. Currently, only 2 five-star hotels are operating in the province with limited capacity; providing opportunities to new chains of hotels.

There is much potential to build beach resorts, floating restaurants, theme parks, recreational projects and many more related projects. Fast Food Chains too have a huge space to fill in as only a few food chains operate in the province. There is potential for more food chains that can be explored in Balochistan. Similarly, for construction of Recreational Parks and Water Sports, the Government of Balochistan will work in partnership with the investors. Multiple scenic locations in the province with a variety of landscapes offer opportunities for resorts and recreational parks at all locations. The land is to be provided by the Government of Balochistan on lease for about 33 years. Electricity, road network and other facilities are to be provided by the Government. This is a golden opportunity for investors around the globe.

6. Mines and Minerals Sector:

The Province of Balochistan is naturally rich with a variety of minerals. There have been high quality mineral deposits discovered in the areas of Rekodiq, Saindak and Duddar. Also, a marble city is operational in Hub and further three cities have been proposed as marble cities, which are Loralai, Khuzdar and Dalbandin. There is huge potential for mining by using modern technology and techniques. Potential for mineral processing plants and coal washing plants is another gateway to investors. Estimates suggest that there are 217 million tons of coal reserves in all over Balochistan, 412 million tons of copper reserves in Saindak, 400 million tons in Dasht-i- Kain and 5.87 billion tons in Rekodiq. The Gold reserves in Rekodiq are 42million ounces. The iron ore deposits are around 75 million tons mainly found in Pachin koh, Chigendik and Chilgai (Chaghi district). Thermal power Station Near Coal Fields of Balochistan have capacity to generate electricity from Coal in the Province with easy accessibility of raw materials. The province is also rich in Sulphur with koh-i-Sultan having 50 million tons. 26 million tons of lead and zinc are present in the districts of Lasbela and Chaghi. Another major mineral of Balochistan is Barite, in fact Pakistan is among the top 10 Barite producing countries in the World. The district of Khuzdar produces approximately 1.7 million tons of Barite production, out of the total 5 million tons of annual production. The market for province's untapped minerals is enormously extensive.

7. Industrial Sector and Manufacturing Sector:

The industrial sector of Balochistan is mainly concentrated in Hub, Winder, Gadani and Quetta. The government aims to operate industrial estates in Khuzdar, Turbat and Pasni. Provincial government plans to set up two more Industrial Estates; one in Loralai and another in Bostan. The aim is to attract investors to construct factories in the areas. Loralai Industrial Estate will be established on 50 acres of land while Bostan Industrial Estate on 200 acres of land. The industrial sector includes pharmaceuticals, Electronics, Electrical, Plastic, Oil and Chemicals, Wheels and Engineering, packaging, Pottery, Healthcare, Jewelry, Cement, Weapons/ Dagger, Handicrafts, Textiles, Food processing, Carpets and Rugs and many others. Balochistan is providing highly developed industrial estate facilities in the province. There is a lot of potential for all these commodities in the industrial sector. Hub and Loralai industrial units are working in close coordination with all relevant provincial and federal government organizations, chambers, associations, donors, multinationals to facilitate and provide required support to the investors. Balochistan is in a bid to promote investment opportunities and generate

employment. Four industrial zones are to be set up in Muslim Bagh, Turbat, Chaman and Dalbandin as announced by the Government of Balochistan. The authorities have been directed by the Chief Minister to provide basic infrastructural facilities, which includes gas, electricity and water in the industrial zonal sites for the development of the areas and facilitate the investors. In addition, Loralai and Khuzdar districts have been declared as marble cities to further facilitate the underprivileged segments of the area and boost investment, ensuring a safe business environment for the investors, and to attract more opportunities. The government has introduced new industrial policies to facilitate private investors, created a safe investment environment and new opportunities to promote economic activities in the region. There is an exponential potential in the manufacturing sector as value addition goods are attracting a larger market.

8. Real Estate sector:

Real estate is a growing sector in the province of Balochistan. There is great potential for many investors to facilitate the sector in its growth phase. The real estate works closely with many other sectors and opens the door to many investors as urbanization is becoming need of the recent times. According to the Pakistan Bureau of Statistics, construction output accounts for 2% of GDP, with housing representing less than half that total. With the rate of urbanization that Pakistan has been experiencing, there is a growing potential for urban planning. Prime Minister Imran Khan has recommended the formation of the Real Estate Regulatory Authority. Prime Minister constituted the National Coordination Committee on Housing, Construction and Development in order to coordinate and facilitate the government's policy to promote construction and development-related activities, especially affordable housing projects for the low-income segment of the society as envisaged in the Naya Pakistan Housing Programme (NPHP). Naya Pakistan Housing and Developing authority aims to deliver 5 million housing units along with the basic amenities to all needy citizens. The main focus is to build houses for the middle- and low-income families to uplift their socio-economic status. Which is insufficient and potential for investors remain open-ended. The government has also introduced the Balochistan Land Lease Policy for Foreign Investors 2018, which includes special policies to assist and promote Foreign Investment, a specialized committee has been setup to approve allotment of land, Only NOC is required from the Ministry of Foreign Affairs, land is leased for a period of 33 years which is extendable and much more.

9. Automotive Sector:

The automotive industry employs over 300,000 to 500,000 persons in Pakistan. The sector is moderate in size and is slowly working as a catalyst for promoting broad based manufacturing sector growth. To further boost this sector the government has initiated the ‘ELECTRIC VEHICLES POLICY.’ The government is working to indigenously develop an electric vehicle (EV) as it tries to shift away from fossil fuel-based vehicles. Introduction of newer technologies like Electric Vehicles have a potential to jumpstart a whole new industry in Pakistan, and has much potential in Balochistan, creating numerous green businesses and employment opportunities by improving the overall socio-economic situation of the country. There is potential for interested investors to uncover the potentials. The government is providing Tax Incentives of 1% GST for EVs (down from 17%), 1% Import Duty on charging

equipment, Lower electricity tariffs for EV charging stations, all greenfield investments apply to EV manufacturers. Incentives to Public Investments include: One fast DC charging station per 3km by 3km area in all major cities, DC charging stations on all motorways every 15-30 KM, ensure uninterrupted power on feeders for charging stations. Other Incentives are State Bank to offer lower rate financing to EV manufacturers. The policy gives incentives to both new entrants and the existing players in two-three wheelers as well as HCVs. Thus, ensuring equal opportunity for all the manufacturers to invest in new technologies. Balochistan has an infant electric vehicle industry which is gradually growing and desires investment to further flourish.

10. Waste Management Sector:

According to the 2017 census, Balochistan has a population of 12.34 million. With increase in population and growth in economy, the demand for waste management is exigent. For this purpose, the government has passed ‘‘the Balochistan Environment Protection Act, 2012.’’ The Act consists of 42 sections. It provides protection, conservation, rehabilitation and improvement of the environment, including the prevention and control of pollution, and promotion of sustainable development. The Act establishes the following obligations: Prohibition of import of hazardous and electronic Wastes; Solid and Waste Management License; Water Resources Management and Motor vehicles. The following onshore and offshore activities units shall be monitored strictly to prevent the pollution and environmental degradation: Ports and shipping, Fisheries, Ship dismantling, Shipping Traffic (Oil Tankers & Vessels) & dredging, Oil and gas mineral exploration, Coastal power plants and Energy sector, Oil refineries and Industries. The urban population in Balochistan has caused a huge increase in demand for waste management services. Government of Balochistan shall provide land, Logistics and other incentives for the firms operating inside the province. The government aims to use recycled material as raw material for various industries in Pakistan and abroad. Special rebate will be provided to the companies on import of recycling equipments. These incentives and policies will be beneficial for the new investors, as waste management is a great problem which will be smoothly addressed by the government.

11. Education Sector:

The government of Balochistan is making serious efforts to improve the education sector in the province. However, there is potential for more as the province lacks private universities. Vocational training centers are insufficient to meet the requirements of Balochistan overall. The lag has to be filled by constructing universities, covering different fields. There are very few medical and engineering colleges as compared to the number of students who appear in entry tests each year. Many far-flung areas are waiting for the establishment of more such colleges. Official sources of Provincial Education Department stated that the government has allocated over 43 billion rupees, which is 15.6% of the total budget, for education in the current fiscal year 20-21. This is not sufficient to provide education to every area of Balochistan. Education has to be made accessible to all. The provincial government has initiated a number of steps to improve and enhance the education system in Balochistan. HEC along with the provincial government is giving a number of scholarships to the destitute and deserving

students of Balochistan. Still, these are very primary steps towards improvements in the system and greater improvements in education sector are demanded through investing in the sector.

12. Logistics Sector:

A large population spread over the vast territory of Balochistan signifies the importance of an efficient logistics system, to ensure availability of goods and services to all across the province. This has made the logistics industry an important contributor to the overall economy of Balochistan. Due to the strategic location of Balochistan and transit trade, the logistics have pathway importance as well. China Pakistan Economic Corridor (CPEC) has also added to the quantum of opportunities for the logistics sector. The Industrial Parks and Special Economic Zones of CPEC would add to and further strengthen the road infra structure facilitating the flow of the trucks from and to the SEZs. Correspondingly, the province facilitates international transport by further improving and facilitating border crossings, airports and ports. These CPEC projects have improved business opportunities for warehousing and freight forwarding companies. Logistics sector is constantly improving and attracting continuous investment. Industrial sector in Balochistan have expanded significantly over the last two decades. As such, the logistics industry has also expanded to meet the demand of transporting goods made by the expanding industrial sector. Pakistan Vision 2025 also envisages “Modernizing Transportation Infrastructure & Greater Regional Connectivity” as one of its goals. The importance of logistics in the whole supply chain process is eminent. No business can survive and flourish without an effective logistics system. So, improved logistic sector is in the mutual benefit of the whole business community especially the ones involved in CPEC projects.

13. Chemical Industry Sector:

Balochistan with its great unexplored potential of non-metallic and metallic minerals gets massive importance in the region. Chemical industry which converts raw materials to thousands of usable products, has great opportunities in the mineral rich province of Balochistan. The province has many mineral reserves like Coal, Chromite, Barites Sulphur, Iron, Marble and Limestones, that are inclined towards the creation of chemical industries. The investors have an edge to invest in this sector and get huge returns. The import and export of chemicals has a great potential in both the local and global markets. The installation of chemical processing industry in the province will lower raw transformation cost. The construction of a cement manufacturing plant will allow the use of resources already available in the province, instead of sending them to other provinces for processing. The plant can be located near the sites with deposits of Limestone, Gypsum and Shale; as there are already large deposits throughout the province. The Chemical industry has a number of sub-industries for which investors are encouraged to invest. The sub-industries include chemical product manufacturing, soap and cleaning compound manufacturing, inorganic and organic chemical industry and petrochemicals industry. These can be established in the province to further improve the economy of Balochistan. All these unrealized potentials are to be revealed with the help of investments in bulk.

14. Health Sector:

Health development has taken a central place in the planning for socio-economic development in Balochistan. The potential areas and the main policy recommendations for development of a sustainable health system in the province calls for immediate action. Balochistan lacks cancer hospitals, has only one nephro-urology institute, and has limited clinical laboratories. Many private hospitals could be built in different areas in Balochistan. There are limited medical colleges and nursing colleges to educate and train doctors and nurses in the province. There is potential in construction of advanced hospitals with latest technology in the province. Also, educating communities about health-related issues, specifically rural populations, via advocacy sessions about different diseases and quality health facilities is to be met in Balochistan. Out of the total budget for the year 2020-21, a sum of Rs38 billion has been allocated to the health sector. Yet, this is inadequate to meet all health-related issues. The scope of potential in the health sector of Balochistan is massive.

15. Information Technology Sector:

The IT sector of Balochistan has immeasurable potential to develop into a full-fledged industry. More than 10 IT universities have been established in the province. There is potential for establishing many more operational IT universities, creation of software houses and construction of Information Technology Parks. Cheap labor and the availability of English-speaking workforce provides potential for more investors. The government has launched Digital Pakistan Policy 2018, with prioritized areas including e-Governance, e-Agriculture, e-Justice, e-Health, and e-Commerce. Special Technology Zones (STZ's) are to be established as per Prime Ministers vision in the country. If an investor registers with Pakistan Software Export Board, then the following benefits are relished by the interested party: Tax exemption on exports of IT services (currently till 2025 but expected to be extended further), Repatriation of profits (currently 100% repatriation of profits is permissible), Voice traffic legalized for PSEB registered call centers, Credibility with foreign customers and investors in the international market, Subsidized participation in International exhibitions and road shows, subsidized participation in local exhibitions attended by foreign customers and investors, Marketing of IT industry through PSEB sponsored IT portal, Subsidized International company certifications such as CMMI and ISO, Subsidized professional trainings for the management and technical staff of IT companies, Fully paid Internships of ICT graduates in the IT industry (more than half have been are hired by the IT industry), Incubation Program for IT entrepreneurs/start-ups, Inbound and outbound visa facilitation of customers, investors, and company employees. Another initiative in the province is the opening of National Incubation Centre (NIC) Quetta, which is committed to develop sustainable and impactful start-up ventures in order to create jobs, revitalize community, commercialize new technology and strengthen local and national economy. NIC provides affordable space, shared office spaces and included services, hands-on management training, marketing support and, often, access to financing. The NIC center will further assist the investors and entrepreneurs in various startup businesses.

16.Private Special Economic Zones:

Special economic zones (SEZ's) are geographically defined areas that have been approved for economic, industrial, and commercial activities where investors can avail special tax exemptions and incentives. The Government of Balochistan offers a unique opportunity to investors with specialized SEZ's where an Industry anywhere in the Province can be declared an SEZ; allowing the investor to avail all incentives being offered under the relevant laws of the province. The Incentives include one-time exemption from custom duties and taxes on the import of all capital goods for the purpose of development, operation and maintenance of special economic zones. Further, exemption from all taxes on income accruable from the development and operation of SEZ for a period of 10 years. Moreover, Investors will also enjoy exemption from custom duties and taxes on the import of all capital goods into SEZ.