



**北京工商大学——经济合作组织科学基金会
BTBU——ECOSF**

**“一带一路”科技与经济合作联合培训中心
Joint Training Center on Scientific, Technological and Economic
Cooperation under Belt and Road Initiative**



Training Report

**Development and Management of Economic Zones
under the Belt and Road Initiatives**

December 22nd and 23rd, 2020

Training Program on Development and Management of Economic Zones under the Belt and Road Initiatives held Successfully

Training Program on Development and Management of Economic Zones under the Belt and Road Initiative was held in a hybrid mode (face-to-face and virtually) on December 22nd and 23rd, 2020 which was jointly organized and hosted by Beijing Technology and Business University (BTBU) and ECO Science Foundation.

This 2-day Training Program, the first multilateral and international training organized by the “BTBU-ECOSF Joint Training Center on Scientific, Technological and Economic Cooperation” under Belt and Road Initiative, was attended by a total of more than 100 domestic and foreign trainees, both online and on-site. The training was co-chaired by Dr. Di Yuna, Director of the Joint Training Centre at BTBU and Engr. Khalil Raza, Scientific Officer of ECOSF.



China has achieved phenomenal economic growth, an unprecedented development over the last three decades. The fundamental attribute to this rapid socio-economic growth has been linked to the emergence of Special Economic Zones (SEZs) and industrial clusters, which have been termed as important engines of China’s remarkable development. The training focused on SEZs and lessons from China for the other Belt and Road countries, including ECO Member States. Thus, the objective of holding this first workshop was to deepen the understanding of the evolving nature of SEZs and enhance human resource capacities to formulate and implement strategies for SEZs, as well as build the human resource capacity for development and expansion of regional value chains of economic corridors.

Prof. Jia Yingmin, Vice President of BTBU, attended its opening ceremony and delivered a speech. First thanking all the lecturers and participants both at home and overseas for attending the opening ceremony, Prof. Jia gave a brief introduction to the development of BTBU and of the BTBU-ECOSF Joint Training Center. Prof. Jia underlined that this training would prove to be very beneficial for the participants in understanding of development and management economic zones. He further said that this training program would serve as a platform for S&T, and economic exchanges among the BRI countries, and promote cooperation among countries in the field of the technology, economy, education and culture.

Following resource persons/experts conducted the training

- **Wang Yalin**, Policy Analyst, Head of the Sustainable Investment and Business Group, UNDP China Representative Office;
- **Feng He**, Researcher, CNPC Economics & Technology Research Institute Overseas— A high-end think tank for BRI countries;
- **Guo Yi**, Professor, School of International Economics and Management Beijing Technology and Business University (BTBU);

- **Syed Zakria Ali Shah**, Chief Executive Officer of CPEC Authority (Pakistan);
- **Zhao Fushou**, Project Director, Silk Road Promotion Centre for International Production Capacity Cooperation;
- **Zhang Yixiang**, Deputy Dean, TEDA Overseas Research Institute, Assistant General Manager, China-Africa TEDA Investment Co.;
- **Wang Xiaoguang**, Director, CSR Promotion Centre, China Federation of Industrial Economics. Lecturers introduced the development, layout, management experience and future trends of BRI industrial parks.



Key takeaways of the training workshop

Experts demonstrated various policy and structural framework for development and management of economic zones in the context of Belt and Road Initiative. The resource persons presented a number of case studies of successful as well as not so successful models of SEZs. Based on the experiences of successful SEZ programs globally, the following are important:

- Strong government support is a key for any economic zones as part of the long-term national development strategy;
- Having a long-term vision is particularly important because economic transformation can take decades;
- A transparent legal and regulatory framework is critical to ensure the clarity of roles and responsibilities of various parties, and to provide protection and certainty to the developers and investors;
- An integrated and strategic coordination among various stakeholders is extremely important. For instance, an **effective one-stop-shop services for customs, taxation, commodity inspection and quality inspection are important characteristics for any SEZ;**
- In almost all the successful zones in the world, basic infrastructure is of high quality, and one-stop-shop services and aftercare are pre-requisite, which make them very attractive to investors;
- One of the highest priorities of any zone is to provide the customized and specialized education and training that generate, upgrade and deepen knowledge and skills appropriate to the localized needs;
- A strategic location with sound infrastructure, strong commercial viability, significant economic returns and strong link to regional and global markets are the fundamental attributes for any high performing economic zones.

With interactive discussion with participants, experts explored and identified the typical barriers and challenges to successful operations and management of SEZs. The training concluded that right policy and regularity framework, financial incentives and solid political support and adequately skilled labor are potentially some of the key ingredients for high performing SEZs in the region.

In the end, Prof. Dr. Manzoor Hussain Soomro, President ECOSF, in his concluding remarks appreciated the collaborating partner; BTBU and the trainers for their resourceful analysis and lectures and the China Association for Science and Technology (CAST) for their strong support to the Joint Training Centre. Prof. Soomro emphasized that that participating countries need to establish and engage in an alliance for promotion of cross-

border cooperation in the technology, engineering and infrastructure development sectors, to maximize the benefits of Belt and Road Initiative. Prof. Soomro further underlined that through this Training Program, the exchange and cooperation would be further strengthened between countries in many critical areas of Science, Technology and Innovation (STI). On behalf of BTBU-ECOSF Joint Training Center, he assured full cooperation for organizing similar quality training programs for socio-economic growth to promote the sustainable development of the ECO Region and BRI at large.



It is important to mention that **BTBU-ECOSF Joint Training Center on Scientific, Technological and Economic Cooperation under Belt and Road Initiative** is an international cooperation platform which was launched earlier on September 25th, 2020, under the funding of China Association for Science and Technology (CAST) Program of International Collaboration Platform for Science and Technology Organizations in Belt and Road Countries. The Joint Training Centre aims to promote sustainable economic and social development in the BRI countries through training in technology application, industrial economy, S&T standards and science communication.





Fostering Sustainable Development Through Chinese Overseas Economic and Trade Cooperation Zones (COCZs)

Dec 2020

Contents

- **Overview of Special Economic Zones (SEZs)**
- **Chinese Overseas Economic and Trade Cooperation Zones (COCZs): Performance and Perspectives**
- **New Generation of SEZs: SDG Model Zones**

Overview of Special Economic Zones (SEZs)

SEZs go by many different names.....

Free Zones, Export Processing Zones, Industrial Parks, Free Zones, Special Economic Zones, Free Economic Zones and Freeports etc.

The most commonly used definition of SEZs, which centres on three key criteria:

- A clearly demarcated geographical area
e.g. Province-sized SEZs, originally conceived in China
- A regulatory regime distinct from the rest of the economy
e.g. Developed economy-free zone model
Developing countries-attracting investment
- Infrastructure support
e.g. power, water supply, factory building

Overview Special Economic Zones (SEZs)

Figure IV.1. | Historical trend in SEZs (Numbers of countries and SEZs)



Source: UNCTAD.

Note: The trend is indicative only. Historical estimates are based on ILO (2014) for 1975, 1986, 1995, 1997, 2002 and 2006; FIAS (2008) for 2008; *The Economist* (2015) for 2014; and UNCTAD for 2018. Scope and definitions of the various estimates across years may differ.

Overview of Special Economic Zones (SEZs)

Table IV.1.	A functional taxonomy of SEZs	
Organizing principle	Type	Description
Specialization	Logistics hubs (FTZs)	<ul style="list-style-type: none"> Commercial, warehousing and logistics services Trade facilitation services for trans-shipping and re-exports, at airports, seaports, borders Can be located next to or within larger industrial estates
	Multi-activity SEZs	<ul style="list-style-type: none"> General industrial development, non-specialized
	Specialized SEZs	<ul style="list-style-type: none"> Focused on sectors (e.g. services, resource or agro-based) Focused on industries (e.g. automotive, electronics, garments) Focused on GVC activities (e.g. business process outsourcing, call centres, R&D centres)
	Innovation-driven SEZs	<ul style="list-style-type: none"> Focused on industrial upgrading and new industries, e.g. high-tech zones, biotech zones, ecozones
Design and governance	Wide-area zones	<ul style="list-style-type: none"> Large, integrated zones, often coinciding with a subnational administrative region or built as townships with residential areas and amenities Original purpose of the largest zones was to pilot economic reforms
	OFDI/ODA-driven zones	<ul style="list-style-type: none"> Established under a partnership between capital-exporting economies and lower-income economies
	Cross-border/regional development zones	<ul style="list-style-type: none"> Established to foster regional economic cooperation and to exploit economies of scale associated with regional markets

Source: UNCTAD.

FTZ = free trade zone, GVC = global value chain, ODA = official development assistance, OFDI = outward foreign direct investment, R&D = research and development, SEZ = special economic zone.

Overview of Special Economic Zones (SEZs)

Table IV.5. The SEZ development ladder

	Zone policy objectives	Prevalent zone types
High-income economies	<ul style="list-style-type: none"> • Provide an efficient platform for complex cross-border supply chains • Focus on avoiding distortions in the economy 	<ul style="list-style-type: none"> • Logistics hubs free zones only (not industrial free zones) • Innovation and new industrial revolution objectives pursued through science parks without separate regulatory framework, or though incentives not linked to zones
Upper-middle-income economies	<ul style="list-style-type: none"> • Support transition to services economy • Attract new high-tech industries • Focus on upgrading innovation capabilities 	<ul style="list-style-type: none"> • Technology-based zones (e.g. R&D, high-tech, biotech) • Specialized zones aimed at high value added industries or value chain segments • Services zones (e.g. financial services)
Middle-income economies	<ul style="list-style-type: none"> • Support industrial upgrading • Promote GVC integration and upgrading • Focus on technology dissemination and spillovers 	<ul style="list-style-type: none"> • Specialized zones focused on GVC-intense industries (e.g. automotive, electronics) • Services zones (e.g. business process outsourcing, call centres)
Low-income economies	<ul style="list-style-type: none"> • Stimulate industrial development and diversification • Offset weaknesses in investment climate • Implement or pilot business reforms in a limited area • Concentrate investment in infrastructure in a limited area • Focus on direct employment and export benefits 	<ul style="list-style-type: none"> • Multi-activity zones • Resource-based zones aimed at attracting processing industries

Source: UNCTAD.

Overview of Special Economic Zones (SEZs)

Table IV.7. Types of SEZs developed with foreign partners	
Types of SEZs	Examples
Zones developed by foreign developers or through joint ventures with local companies as private FDI	<ul style="list-style-type: none"> • Amata City Bien Hao, developed by Amata (Thailand) in Viet Nam (1994) through a joint venture with Viet Nam's State-owned enterprise Sonadez • Techno Park Poipet, developed by Toyota Tsusho (Japan) in Cambodia (2015) • Cali Tech Park, developed by Zonamerica (Uruguay) in Colombia (2016) • Pearl River SEZ, developed by New South (China) in Kenya (2017) through a joint venture with African Economic Zones Ltd
Zones developed through public-private partnerships with foreign developers	<ul style="list-style-type: none"> • Savan-Seno SEZ in the Lao People's Democratic Republic (2003), developed through a joint venture between Malaysian private companies and the Government • Free Industrial Zone Hualing Kutaisi 2, developed by Hualing Group (China) in Georgia (2015), on the basis of a memorandum of understanding with the Ministry of Economy and Sustainable Development of Georgia • Lekki FTZ, developed by Chinese consortiums in Nigeria (2006) through a joint venture with the Lagos State Government
Zones developed as government-government partnership projects	<ul style="list-style-type: none"> • Suzhou Industrial Park, developed in China (1994) through a joint venture between Singaporean and Chinese consortiums • Thilawa SEZ, developed in Myanmar (2011) through a joint venture between the Myanmar and Japanese governments, and private consortiums from Myanmar and Japan • Belarus–China Industrial Park Great Stone in Belarus (2011), developed through a joint venture between a Chinese private developer and Belarus Public Administrator • Russia Industrial Zone, developed in Egypt (2018) by a Russian Federation developer

Source: UNCTAD.

Overview Special Economic Zones (SEZs)

Table IV.9.

Key governance elements of foreign partnership zones

Elements	Function
Memorandum of understanding or bilateral agreement	<ul style="list-style-type: none">• Political commitment• Institutional framework
Coordination mechanism	<ul style="list-style-type: none">• Monitor and review• Effective dialogue
Joint-venture framework	<ul style="list-style-type: none">• Zone development and management• Participation of relevant stakeholders
Third-party participation	<ul style="list-style-type: none">• Foreign capital• Expertise on zone development and management

Source: UNCTAD.

COCZs: Performance and Perspectives

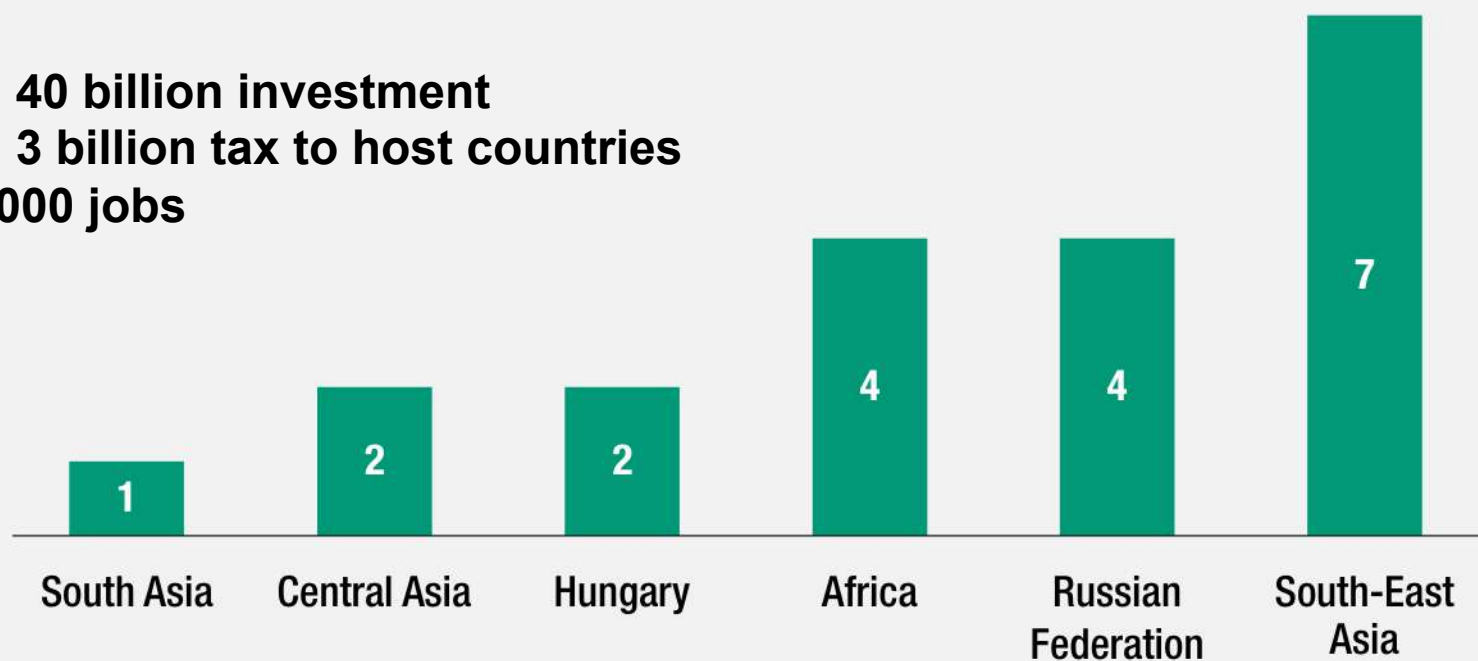
China announced Overseas Economic Cooperation Zone Programme in 2006, with multiple objectives:

- Boosting China's domestic economic restructuring and moving up the value chain;
- Creating economies of scale for Chinese overseas investment;
- Assisting Chinese SMEs in venturing overseas;
- South-South cooperation by sharing China's industrial experiences with other developing countries;
- Avoiding trade tension and barriers imposed on exports from China by producing overseas

COCZs: Performance and Perspectives

Box figure IV.9.1. | Distribution of the 20 verified COCZs, 2018

**Over USD 40 billion investment
Over USD 3 billion tax to host countries
Over 300,000 jobs**



Source: UNCTAD, based on Ministry of Commerce, China.

Economic Performance and Perspectives

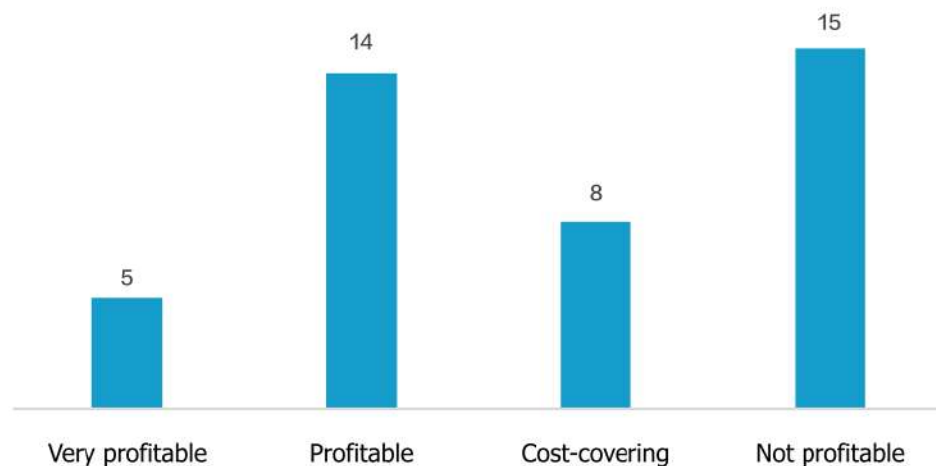


Figure 2: Profitability of COCZs

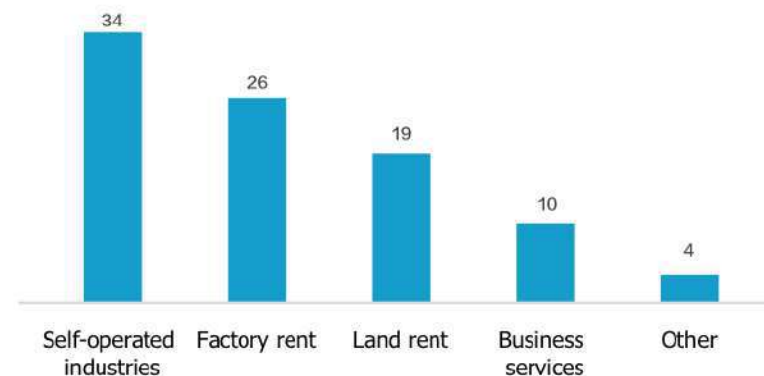


Figure 5: Profit models of COCZs (multiple-answer question)

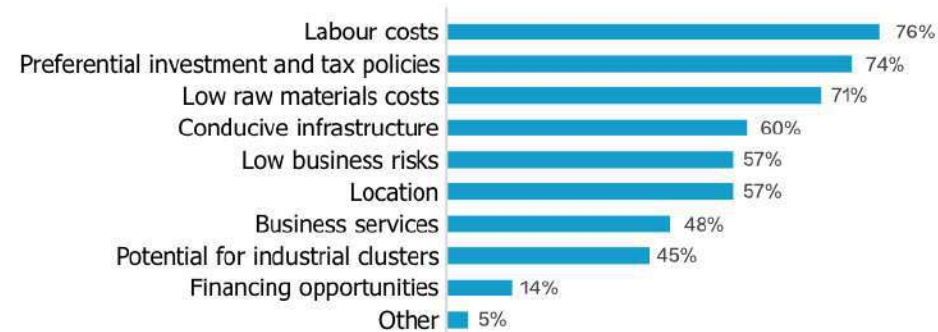


Figure 6: Key factors for attracting companies to COCZs (multiple-answer question)

Checklist for economic sustainability

High-level checklist:

- Political commitment, policies and institutions
- Priority sectors
- Investment incentives
- Site selection
- Business models
- Incremental development plan
- Diverse income sources
- Anchor investors
- Local linkages

Environmental Performance and Perspectives

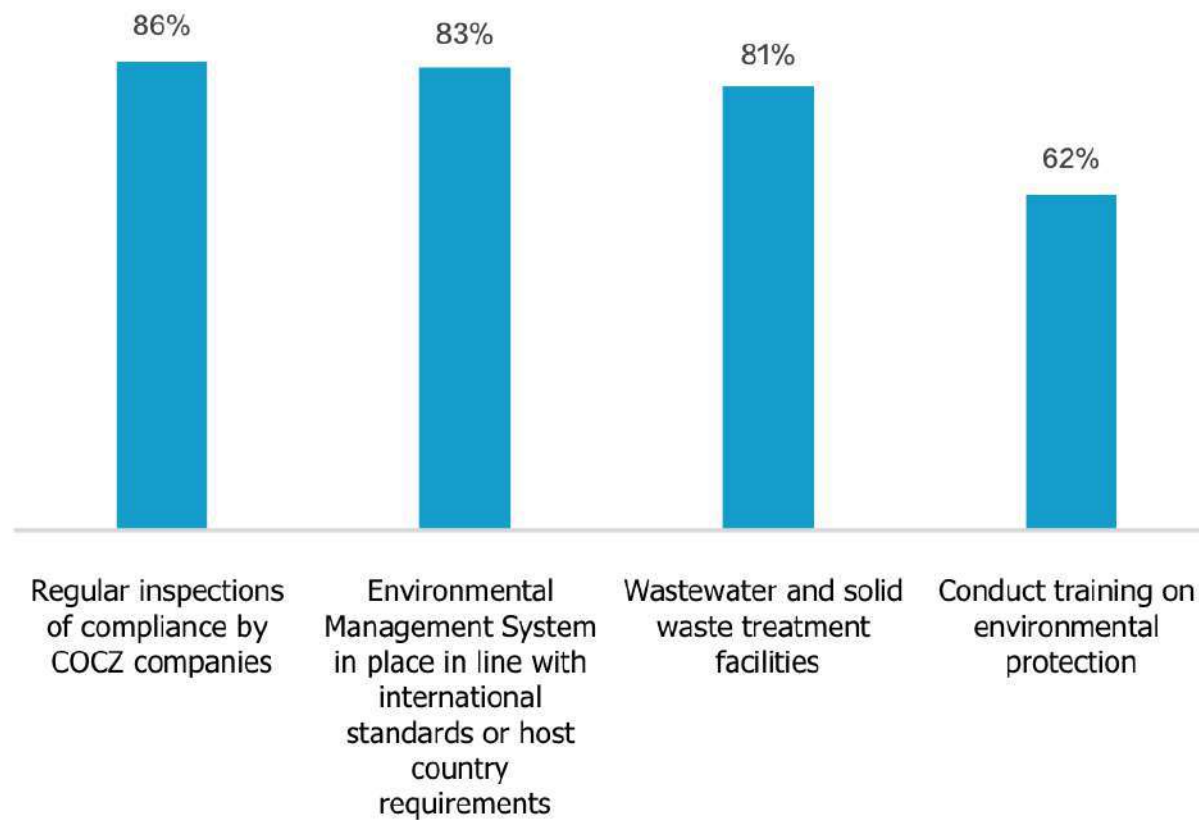


Figure 11: Measures taken by COCZs for environmental protection (multiple-answer question)

93% of the Zones conducted Environmental and Social Impact Assessment (ESIA) prior zone development

Checklist for environmental sustainability

High-level checklist:

- Environmental policy, strategy and management system
- Energy efficiency
- Renewable energy
- Water management
- Waste management
- Low-emission and climate-resilient operations
- Biodiversity protection and restoration

Social Performance and Perspectives

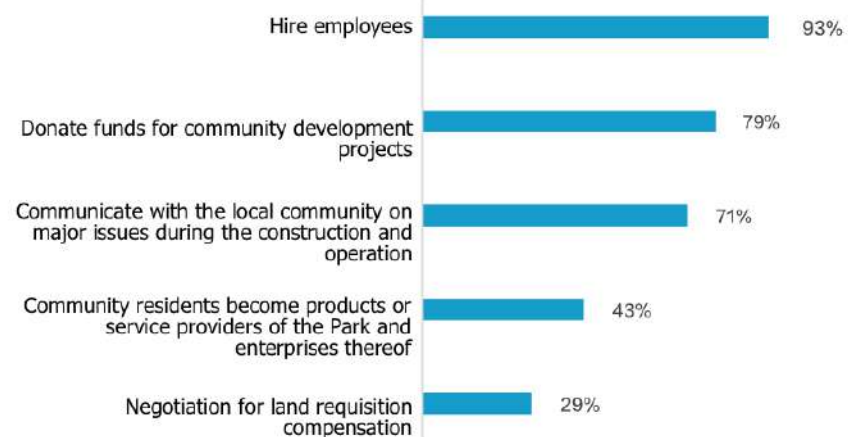


Figure 13: Forms of interactions between COCZs and the local community (multiple-answer question)

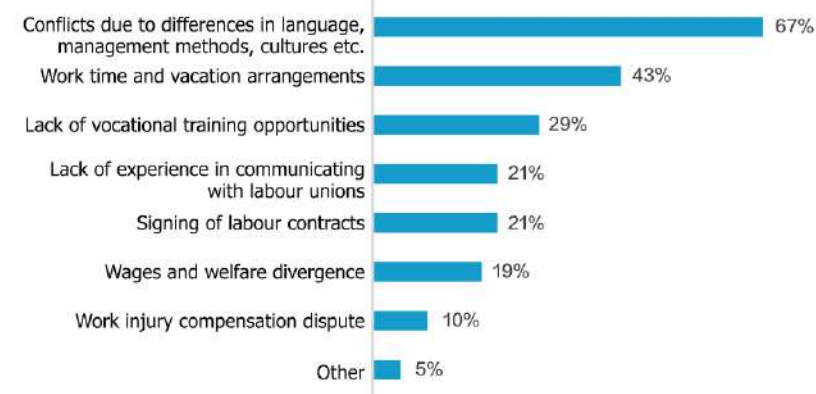


Figure 14: Main labour issues encountered by tenant enterprises of COCZs (multiple-answer question)

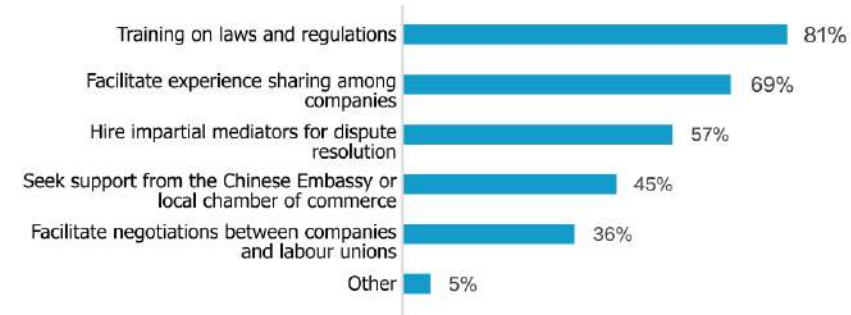


Figure 15: Measures taken by COCZs to solve labour-related problems (multiple-answer question)

Checklist for social sustainability

High-level checklist:

- Resettlement plan
- Labour standards
- Housing for workers
- Safety and health at work
- Security
- Transparent wage structure and incentive systems
- Social infrastructure
- Skills training and human resource management
- Community engagement

Sustainable Development Goals (2015-2030)

17 GOALS

Committed to ending extreme poverty, fighting inequality and injustice, and fixing climate change by 2030.



What are the Sustainable Development Goals (SDGs)?

A universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The goals are interconnected – often the key to success on one will involve tackling issues more commonly associated with another.

What is UNDP's role?

As the lead UN development agency, UNDP is uniquely placed to help implement the Goals through our work and support to governments to integrate the SDGs into their national development plans and policies.

New Generation of SEZs: SDG model zones

Table IV.19. Illustrative list of policy options for the creation of SDG model zones

Policy option	Policy objectives	Focus	Promotion/facilitation
SDG investment strategy	<ul style="list-style-type: none"> Catalyze SDG implementation Incubate pro-SDG business activities 	<ul style="list-style-type: none"> Sustainable agriculture, food security and nutrition Basic infrastructure, utilities, water and sanitation services Health care and essential medicines Renewable energy and climate change mitigation Education 	<ul style="list-style-type: none"> Target SDG sectors and incubate SDG activities Reorient incentive schemes towards SDG contributions Prepare a pipeline of SDG projects Facilitate impact investment and social entrepreneurs Cooperate with development partners
ESG standards compliance	<ul style="list-style-type: none"> Promote sustainable processes in production and services Enhance CSR and good governance 	<ul style="list-style-type: none"> Aspirational goals: zero emissions and minimum waste Highest labour, health and safety standards Gender-equality benchmark Measurement of zone contributions to public revenues 	<ul style="list-style-type: none"> Services in the zone to facilitate the implementation of standards Inspection of standards compliance and exchange of best practices Investors agree to codes of conduct and reporting on ESG performance
Inclusive growth via linkages and spillovers	<ul style="list-style-type: none"> Shift from enclaved zones to models that facilitate backward and forward linkages Spillovers of SDG best practice to the rest of the country 	<ul style="list-style-type: none"> Renewable energy installations that also supply outside the zone Waste management plant with capacity beyond the zone Amenities and services (health care, housing and education) that benefit the wider community 	<ul style="list-style-type: none"> Strengthen entrepreneurship policies Mobilize local entrepreneurs to catalyze FDI and promote MNEs suppliers Broaden incentive schemes to support local supplier development

Source: UNCTAD.



What is United Nations Development Programme (UNDP) ?

The largest development network of the United Nations helping countries to achieve the eradication of poverty, and the reduction of inequalities and exclusion. We help to develop **policies, leadership skills, partnering abilities, institutional capabilities** and **build resilience** in order to sustain development results.

Achim Steiner
UNDP Administrator



7000+ staff members

170+ countries and territories

New Strategic Plan from 2018 - 2021

on building on strengths, bolder innovation, closer partnerships and stronger results.

Sustainable Investment and Business Overseas

Sustainable Investment Promotion Facilities Programme

Promoting sustainable investment along the Belt and Road by strengthening partner countries' capacities and enhancing environmental, social and governance (ESG) sustainability of financial investment in line with the 2030 Agenda.



Publications

Sustainable Development of Chinese Private-Owned Enterprises along the Belt and Road



- Private-Owned Enterprises (POEs), represent the vast majority of China's economy and are expanding their global presence. They are shouldering more responsibilities in implementing and promoting the global development agenda under the Belt and Road



Thank You and Stay Healthy!

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Beijing Technology and Business University

Actively Build a Sustainable Business Environment for Chinese Enterprises

Guo Yi



China Overseas Economic Parks

I. Three-fold significance

II. Three business models

III. Basic ways of obtaining 'local legitimacy'



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I. Three-fold significance





Three-fold significance



Conducive for countries to promoting international production capacity cooperation and achieve global



industrial layout
Conducive to the formation of regional business clusters in the host country



Conducive to enhancing bilateral political and economic ties and bringing closer people-to-people contacts and friendship





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II. Three business models





Host government-supported

Host government-supported zones are primarily tasked with promoting new industrial clusters, economic growth points and new cities, and are usually owned and operated by host government agencies or state-owned enterprises.

Market-driven

Market-driven co-operative zones are usually developed and operated by private investors. Due to the high initial investment costs and long payback period, a stable business environment will help boost investor confidence and encourage continued investment and operation.

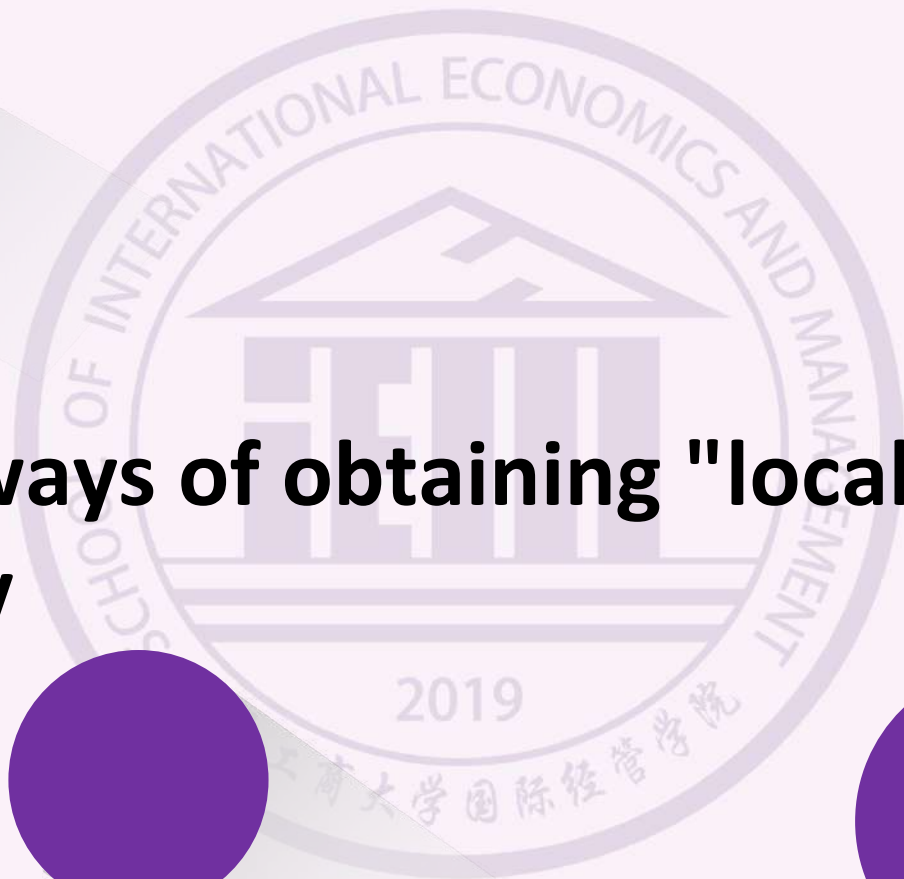
PPP

Private-Public Partnership (PPP) parks provide public services by social capital.



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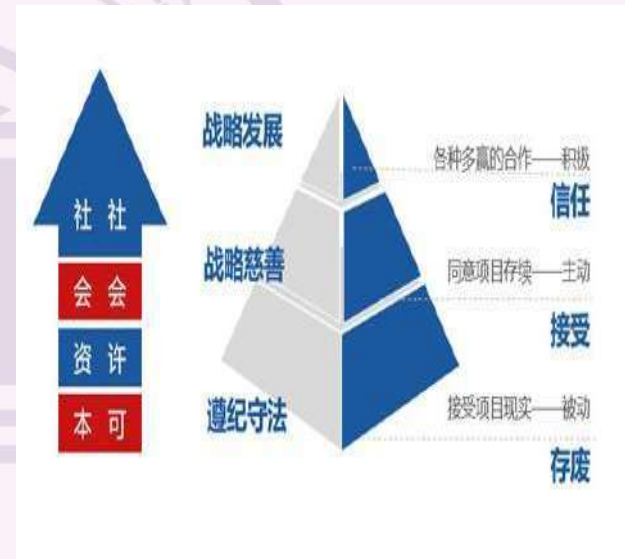
III. Basic ways of obtaining "local legitimacy"





In recent years, Chinese enterprises' overseas investment, driven by the "Belt and Road" initiative, has continued to grow steadily in terms of both investment flow and stock. In this process, due to various constraints, CSR has become a mandatory part of Chinese enterprises' overseas investment.

Corporate Social Responsibility



Community relations: a source of



Chinese people in the “industrial village” are still at a loss when it comes to the protection of their rights and interests in the event of policies conflict between investing countries and host country. It is expected that the countries and administration could play a guiding role, to coordinate and promote the policies on

Localisation: a theoretical recipe and its realistic operation

for the development of” global village”.



The CSR challenges and risks faced by Chinese companies investing overseas ultimately come down to the level of community relationship management, including identifying, preventing, managing and resolving the above challenges and risks through community communication and community integration, and turning these non-traditional risks into opportunities for sustainable development.

Community relations: a source of building social capital



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Beijing Technology and Business University

Thank you





“一带一路” 园区可持续运营风险管理：实践与对策

Risk Management of Sustainable Operation in BRI Industrial Park : practice and Countermeasures

中国工业经济联合会企业社会责任促进中心 主任

Director of Corporate Social responsibility

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2020.12



北京融智企业社会责任研究院

Beijing Rongzhi Corporate Social Responsibility Institute



-
- “一带一路” 园区面临的主要挑战与风险
 - The main challenges and risks faced by BRI Industrial Park
-

- “一带一路” 园区可持续运营风险管理
 - Risk Management of Sustainable Operation of BRI Industrial Park
-

- “一带一路” 园区加强风险管理的建议
 - Suggestions on strengthening risk Management in BRI Industrial Park
-

“一带一路” 园区可持续运营面临的挑战

1

地缘政治对园区建设运营的挑战

The Challenge of geopolitics to the Construction and Operation of Industrial Park

2

园区规划、功能与产业需求合理匹配的挑战

The Challenge of rational matching of Industrial Park Planning, function and Industrial demand

3

东道国法律法规与政策变动的挑战

The Challenge of laws, regulations and Policy changes in the Host country

4

园区建设与当地社区发展不协调的挑战

The challenge of uncoordinated development between industrial parks and local communities

5

园区企业人权安全环境合规管理的挑战

The Challenge of Industrial Park Enterprises in Human Rights, Safety and Environmental Compliance Management

“一带一路” 园区可持续运营的风险类型





- “一带一路” 园区面临的主要挑战与风险
- The main challenges and risks faced by BRI Industrial Park
- “一带一路” 园区可持续运营风险管理
- Risk Management of Sustainable Operation of BRI Industrial Park
- “一带一路” 园区加强风险管理的建议
- Suggestions on strengthening risk Management in BRI Industrial Park

“一带一路” 投资风险管理要点



工业园区可持续风险管理基本框架

- 制定风险管理政策(Formulate the risk management policies)
- 确定风险评价标准(Determine the risk assessment criteria)
- 跨边界的风险识别 (Carry out risk identification across borders)
- 进行多维度的风险评价与排序 (Carry out multi-dimensional risk assessment and ranking)
- 建立动态风险事件库 (Establish a dynamic risk event database)
- 编制应急预案 (Draw up emergency plans)
- 全员参与风险管理 (Full participation in risk

工业园区可持续运营风险管理的主要内容

基础工作

Basic work

- 制定园区风险政策 (Formulate the risk policy of industrial park)
- 定义园区可持续运营风险 (Define the sustainable operation risk of industrial park)
- 完善风险管理框架 (Improve the risk management framework)

日常工作

routine

- 开展风险识别与管控 (Carry out risk identification and control)
- 建立维护风险事件库 (Establish and maintain a database of risk events)

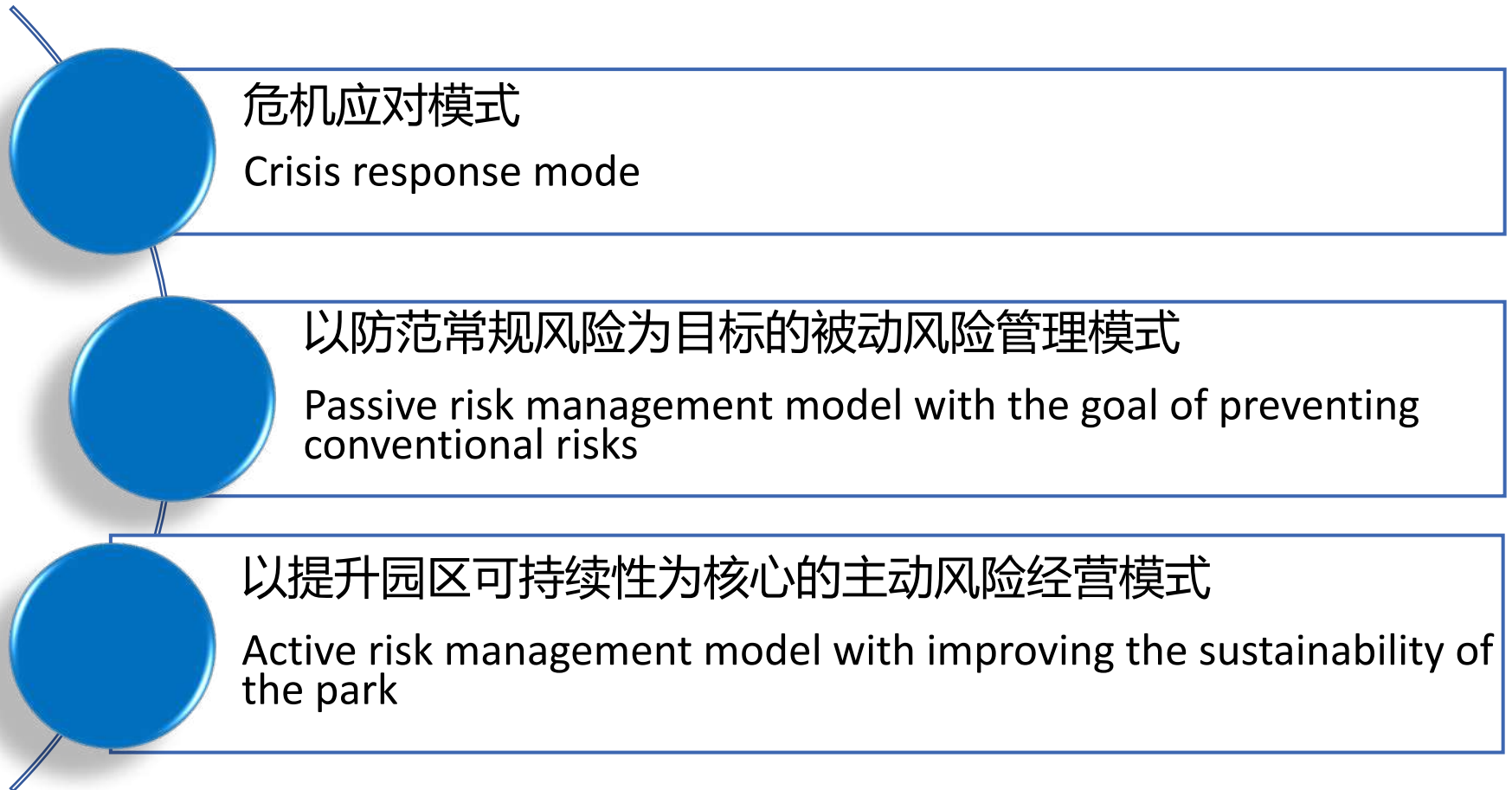
专项工作

Special work

- 危机管理演练 (Crisis management exercise)
- 重大风险沟通管理 (Major risk communication management)

工业园区可持续运营风险管理的模式

Risk Management Model of Sustainable Operation in
Industrial Park





-
- “一带一路” 园区面临的主要挑战与风险
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-

“一带一路” 园区可持续运营风险管理策略

四项基本策略



“一带一路” 工业园区可持续运营风险管理建议



制定工业园区风险管理战略，将风险管理融入园区建设运营
Formulate the risk management strategy of the industrial park and integrate the risk management into the construction and operation of the industrial park



开展尽职调查，全面分析政治、社会、文化、法律等环境
Conduct due diligence and make a comprehensive analysis of the political, social, cultural and legal



建立健全园区风险管理体系，建立风险识别与提示预警机制
Establish and improve the risk management system of the park, and establish a risk identification and warning

“一带一路” 园区可持续运营风险管理建议



建立园区与入园企业的风险管理协同沟通机制

Establish a collaborative communication mechanism for risk management between the park and the enterprises entering the park.



注重风险管理团队建设，普及园区与企业管理人员的风险意识

Pay attention to the construction of risk management team and popularize the risk awareness of park and enterprise managers.



加强与利益相关方主动沟通，建立理解与信任，降低风险概率

Strengthen active communication with stakeholders, establish understanding and trust, and reduce risk probability.



THANK YOU

Q & A

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**CHINA-EGYPT TEDA
SUEZ ECONOMIC AND TRADE
COOPERATION ZONE
SINCERELY INVITES YOU TO JOIN US**



Contents



Introduction to TEDA Cooperation Zone

**Comprehensive Development Overview
of the Cooperation Zone**

Macro-Environment | Government's Concerns |
Project Overview | Achievement Introduction |
Project Progress



Significance of TEDA Cooperation Zone

**Investment Guide of the
Cooperation Zone**

Investment Environment | Preferential Policies |
Investment Opportunities | Future Planning

< 01 >

01

Introduction to TEDA Cooperation Zone

PART ONE

Macro-Environment | Government's Concern | Project
Overview | Achievement Introduction | Project
Progress

Macro Environment

With the construction of China's "Belt and Road Initiative" and the continuous progress of Egypt's "Suez Canal Corridor Development Plan", the cooperation between China and Egypt in the fields of trade, investment and infrastructure has developed steadily and achieved great results.

As the second batch of state-level overseas economic and trade cooperation zones approved by the Chinese government, China-Egypt TEDA Suez Economic and Trade Cooperation Zone has received high attention from leaders of China and Egypt, careful guidance from the Chinese Ministry of Foreign Affairs and the Ministry of Commerce, strong support from the Tianjin Municipal Government, and all-round assistance from the China-Africa Development Fund since its beginning. Under the leading operation of TEDA investment Holding Co., Ltd, after more than 10 years of development and construction, it has gradually become one of the important platforms for China-Egypt economic and trade cooperation and cultural exchange.



Government's Concern

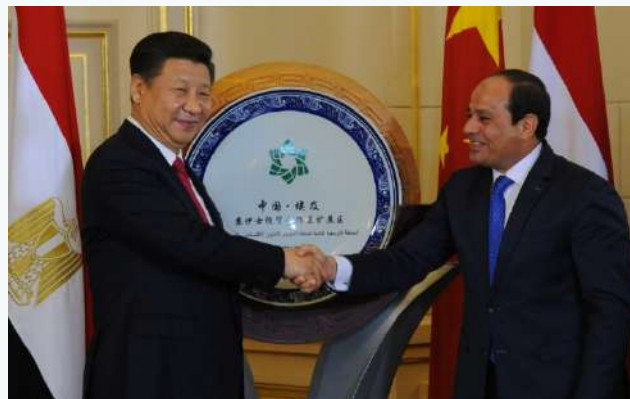


Nov.7, 2009

The then Premier Wen Jiabao of the State Council of China the then Premier Ahmad Nazif of Egypt inaugurated for the Starting Area.



**The Sole Overseas Cooperation Zone
Awarded by Leaders of Two Countries for
Two Times**



Jan. 21, 2016

President Xi Jinping and President Sisi inaugurated for the Expansion Area.

Project Overview



Located in Suez Canal
Special Economic Zone



Close to Ain Sokhna Port



The beginning of the Suez
Canal Corridor



Complete and convenient
surrounding facilities



Project Overview

- The total area of the starting area is **1.34 km²** , the accumulative investment is about **USD 142million**. **Development is basically completed, and the land has been sold out.**
- The total area of the expansion area is **6 km²** , it is planned to invest USD 230 million on the development. The accumulative actual investment is **USD 71.7 million**. The 2 km² infrastructure construction of the first phase of the expansion area has been completed, **and it is planned to start the second phase of infrastructure construction in 2019.**

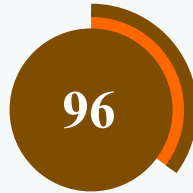


Project Overview



TEDA Cooperation Zone has attracted **96** enterprises, **40** of which are manufacturing enterprises. There are **56** supporting service organizations. Taxes paid was nearly **USD 170 million**,.

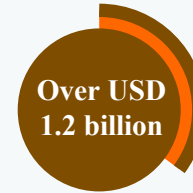
At the same time, several industry leading enterprises have reached preliminary cooperation intentions with TEDA Cooperation Zone on investment and construction in the zone.



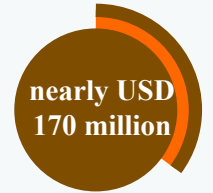
Attracting
Enterprises



Provide Jobs



actual
investment



Taxes Paid to Host
Country

Project Overview

High industrial concentration and obvious radiation effect



New building materials



Petroleum equipment



High and low voltage equipment



Machinery manufacturing

The Starting Area has been fully developed and formed four leading industries.

The Phase 1 of infrastructure construction in the Expansion Area has been completed.



- **Starting Area: Four major industries of new building materials, petroleum equipment, high and low voltage equipment and machinery manufacturing**
- **Expansion Area: Four leading industries of passenger cars, textile, building materials and chemical industry**

PART ONE

Achievement Introduction

Part of Enterprises settled in the Starting Area



Achievements Introductions **Platform to Help Enterprises Take Off**

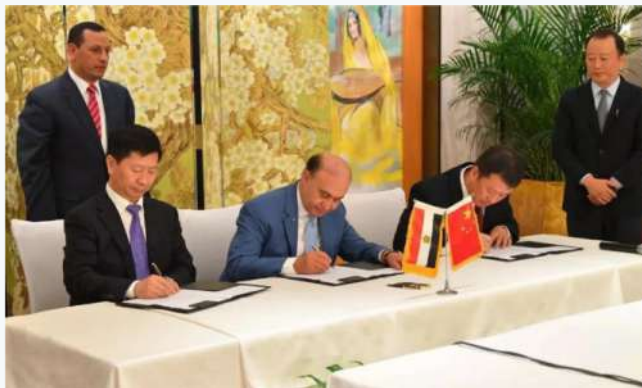


In January 2012, China Jushi Co., Ltd. set up a wholly-owned subsidiary in Egypt, Jushi Egypt, which started the cooperation of China and Egypt in the field of glass fiber composite production capacity. At present, the total investment of Jushi Egypt has exceeded **USD 600 million**, and the localization rate of management positions has reached **90%**. The efficient operation of the project has enabled Jushi not to fear "Double opposition" and doubled its market share in the EU. The **annual output value** of the project exceeds **USD 220 million** and **foreign exchange earned from exports is close to USD 200 million**.

- ◆ January 2012 - Foundation work starts
- ◆ End of 2013 - Trial production of the first pool furnace wire drawing production line
- ◆ May 2014 - Officially put into production. The annual output is 80,000 tons. The total investment is USD 223 million.
- ◆ July 2016 - Phase 2 put into production with an annual output of 80,000 tons and a total investment of USD 188 million.
- ◆ September 2017 - Phase 3 is completed and put into production with an annual output of 40,000 tons and a total investment of USD 169 million.
- ◆ August 2018 - Jushi Egypt's glass fiber production base with an annual output of 200,000 tons was fully completed and put into production 4 years ahead of schedule.



Achievements Introductions Platform to Help Enterprises Take Off

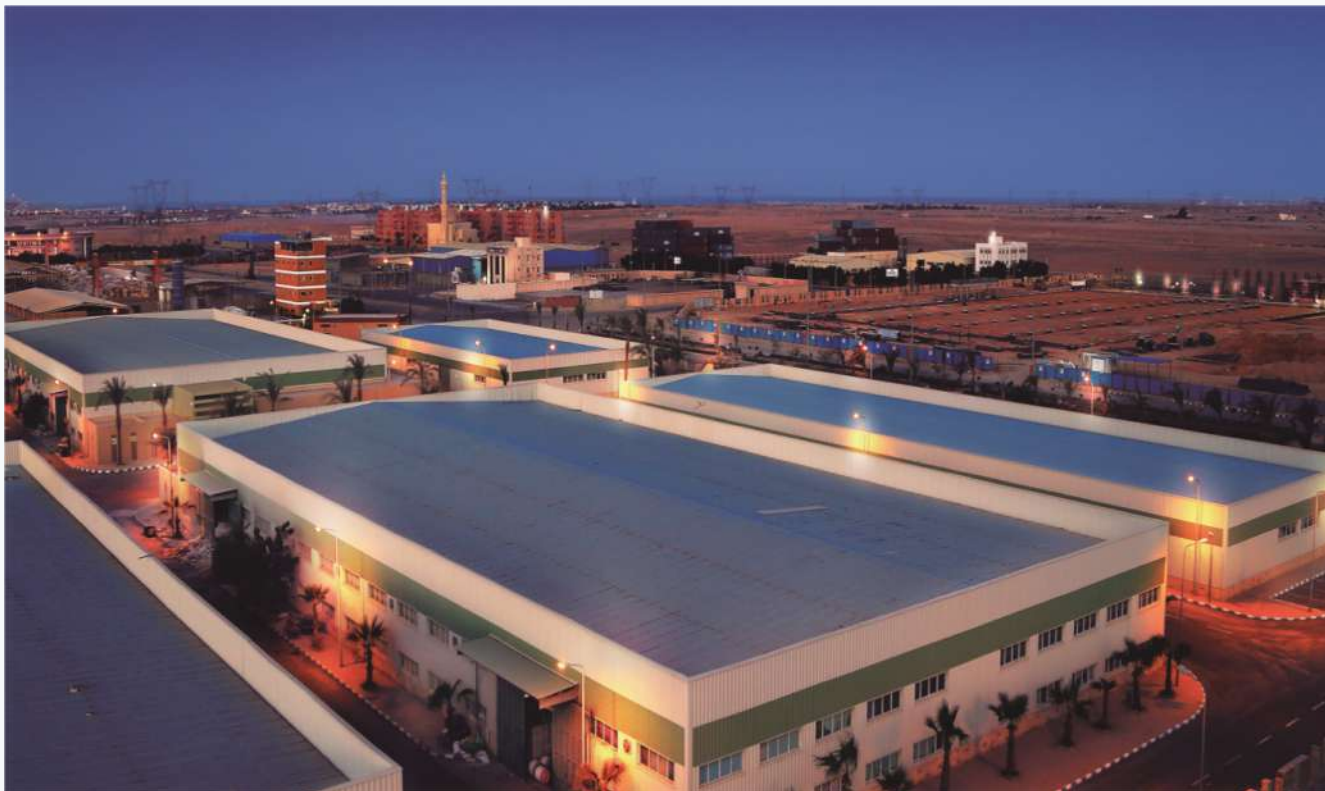


Xiamen Yanjan New Material Co., Ltd. set up a subsidiary in Egypt in March 2017, Egypt Yanjan, and successfully put into production in the third quarter of the same year, enabling the enterprise to develop rapidly. At present, **Egypt Yanjan has become an important supply point for expanding its markets in Europe, the Middle East and Africa.** Its product quality and operation management have been highly recognized by customers.

On July 16, 2018, Xiamen Yanjan signed a new contract with TEDA Cooperation Zone. The project plans to invest a total of **USD 36 million** to build a processing and manufacturing project for sanitary materials and related products. The overall planning of the project covers an area of about 133,000 square meters. The products will mainly provide global supply for internationally renowned brand companies. After the project is put into production, it will solve the labor and employment problems of more than 300 people and realize annual sales of USD 50 million after all of them are put into operation.



Achievement Introduction **12 Standard Factory Buildings**



Achievement Introduction

Eight-storey Investment Service Center Building



PART
ONE

Achievement Introduction

Four-star TEDA SWISS INN Hotel



PART ONE

Achievement Introduction

4 White-collar & Gold-collar Apartments



Achievement Introduction

Supporting Service for Living

With living facilities such as Chinese supermarket, barbershop and restaurant, more comfortable investment environment for enterprises are provided.



Achievement Introduction

Basic Property Service

Basic property service such as security guarding, clean-keeping, greening and maintenance for enterprises settled in the starting area are provided.



Achievement Introduction

Basic Property Service

With soft service such as legal consultation, formality transaction and staff employment, "one-stop and a coordinated process" of high quality supporting service is provided for enterprises.



PART ONE

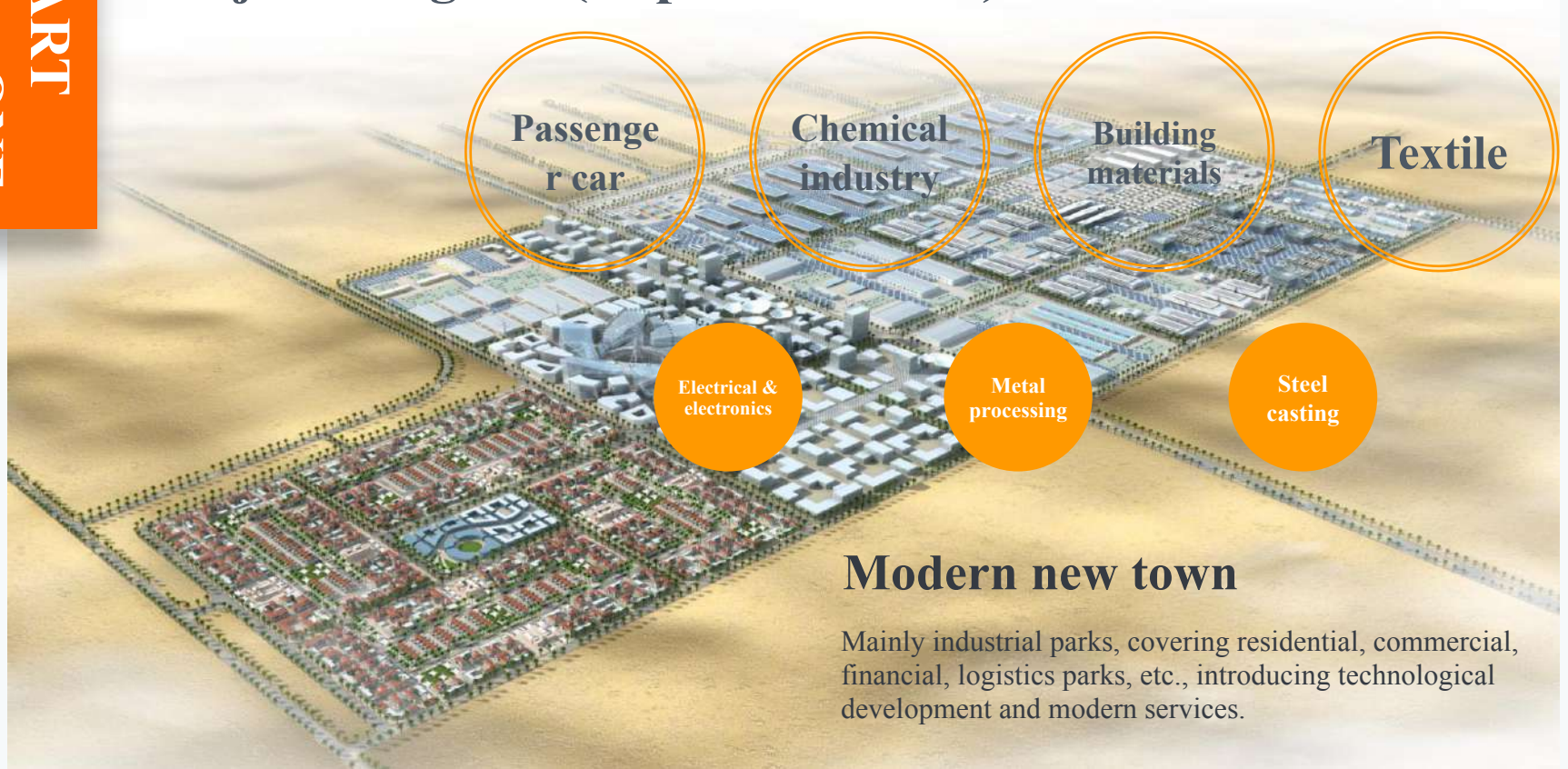
Achievement Introduction Theme Park



泰达主题乐园



Project Progress (Expansion Area)



PART ONE

Project Progress (Expansion Area)



Water supply
13,500tons/day



Electricity
connection
20 megawatt



Fuel gas
connection
5,000m³/hour



Communication
2,000 Lines



Road
connection
300,000m²



Sewage
treatment
10,000 tons/day



道路



电力



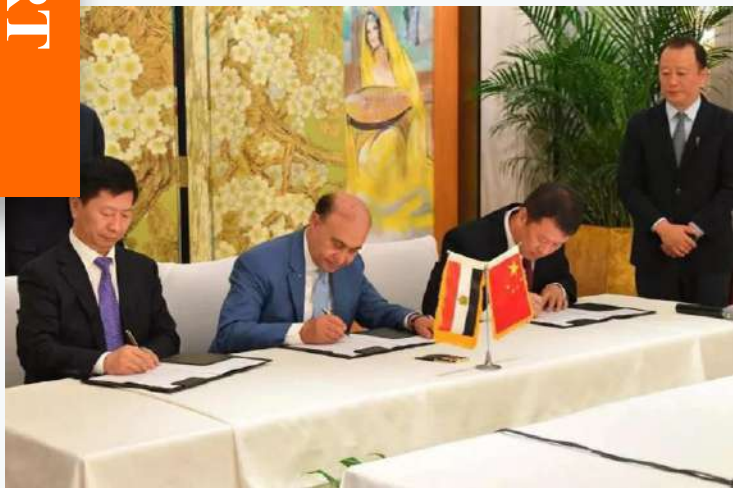
污水处理站



蓄水池

Investment Promotion of Expansion Area

As of March 2020, the Expansion Area of TEDA Cooperation Zone has attracted **15** enterprises to settle in, attracting over **USD 200 million** of investment under the agreement and initially forming four major industrial clusters of passenger car, textile, building material and chemical industry.



- Dayun Egypt Locomotive Co., Ltd.
- Ain Sokhna Logistics Company (Car City)
- Shaoxing Keqiao Leichu Knitting Co., Ltd.
- Golden Time Plastics Co., Ltd.
- Hong Kong Honghai Pulp and Paper Co., Ltd.
- Xiamen Yanjan New Material Co.,Ltd.
- Tiantai Baizan Co., Ltd.
- Tiancheng Renewable Resources Co., Ltd.
- Egypt Fanyang Textile CO.,SAE
- Zhejiang Cady Industry CO.,LTD
- Jiangsu Hengtong Photoelectric Co., Ltd.
- Jiangsu Hengtong Photoelectric Co., Ltd.
- Zhongxin industrial co. LTD
- Shandong Airpower Energy Saving Equipment Co., Ltd.
- Ningbo Gourmet Kitchenware Co., Ltd.
- Golden Eagle Co., Ltd

Investment Promotion of Expansion Area

On May 15, 2019, Egypt's General Authority of Suez Canal Economic Zone approved to allow **import and export trade and the establishment of a logistics bonded project** in the Expansion Area of TEDA Cooperation Zone. Since then, Egypt-TEDA SEZone Development Company has become **the only Chinese enterprise that can carry out international logistics bonded, general trade and entrepot trade in Egypt**.

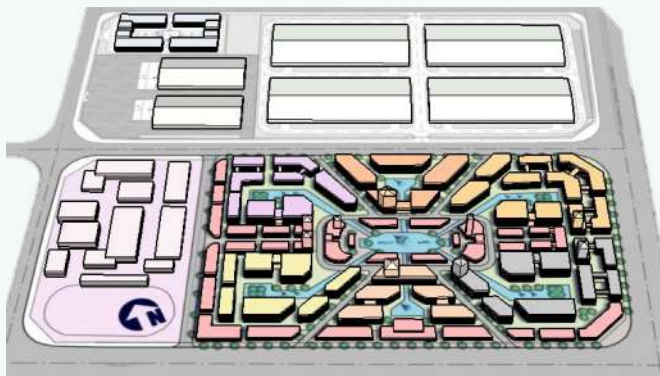
At present, TEDA Cooperation Zone is carrying out bonded trade and logistics business around **building materials and used cars**, promoting the construction of automobile industrial park projects, thus expanding the park's functions, forming cooperation between producers and traders, and closing trade exchanges between Tianjin and even China and the Middle East and North Africa.



Marketing Service Platform of the Park

The combination of international marketing public service platform and the industrial style town is a key measure for the comprehensive upgrading of China-Egypt TEDA Suez Economic and Trade Cooperation Zone. In the future, under the joint participation and active cooperation of the governments and enterprises of China and Egypt, this "test field" covering an area of 300,000m² will become an important platform for exploring and practicing "the Belt and Road" construction of five connections.

International Marketing Public Service Platform



**Exhibition &
Trading Center**

**Marketing
Exhibition**

**Consumption
Experience**

**Business
Negotiation**

**Warehousing &
logistics center**

**Bonded
Warehousing**

**Logistics
Distribution**

**Customs
Service**

**Pre-sales/Post-sales
Service Center**

**Call
Center**

**Financial
Service**

**Technical
Training**

Upgrading of Cooperation Zone



In April 2019, the **General Administration of the Egyptian Suez Special Economic Zone** and **Tianjin Municipal Government** signed the *Memorandum of Understanding on Promoting the Accelerated Development of China-Egypt TEDA Suez Economic and Trade Cooperation Zone*.

Improving the business environment

Accelerating industrial agglomeration

Expanding the functions of the park

Promoting the linkage of two zones

Improving financial services

Promoting people-to-people and cultural exchanges

In the future, TEDA Cooperation Zone will be built into a sustainable developed green modern industrial new city and an important platform for international economic and trade cooperation zone between China and Egypt with international first-class standard of production and living facilities, leading industrial clusters, complete industrial chain, strong radiation and driving capacity, and perfect public service system.

未来实现

未来十年，泰达合作区将建成以港城为依托，以工业项目为主，涵盖多业态结构的红海之滨现代化工业新城。

In next ten years, TEDA zone will be built to a modern industrial city with port and city as the basis, mainly with industrial projects, covering a variety of businesses along the Red Sea

 **加工制造**
 Manufacturing

 **保税物流**
 Bonded logistics

 **商贸住宅**
 Business & house

 **现代服务**
 Modern service



2.3亿美元

计划投资

Investment



150~180家

计划吸引企业

Enterprise



20亿美元

预计吸引投资

Attract investment



80~100亿美元

实现销售额

Achieve sales



4万个

提供就业岗位

Employment

02

Significance of TEDA Cooperation Zone

PART TWO

Investment Environment | Investment Guarantee |

Investment Opportunities | Future Planning

Investment Environment - Political Stability

Internal Affairs

Egypt's current government enjoys high support and political stability. The government attaches great importance to the development of the national economy and hopes to improve people's livelihood by boosting the economy. Egypt ranked **8th in the world** in the Gallup Law and Order Index in 2019 and **2nd** in the Middle East and North Africa. In 2019, its global competitiveness index ranked **93rd**.



Diplomacy

At present, Egypt has maintained good diplomatic relations with the United States, China, Russia and other major countries, which is conducive to obtaining more international support and international investment and enhancing political stability.

PART
TWO

Investment Opportunities——Fit to National Strategy



China's "Belt and Road" Construction



Egyptian Suez Canal Corridor Development Plan


The TEDA Cooperation Zone has become the golden pivot and interchange of the two national strategies of China and Egypt since 2012:


One is the "Belt and Road" construction; the other is the "Revitalization Plan for Suez Canal Corridor"


The achievements of the TEDA cooperation zone have been recognized by the governments of China and Egypt. TEDA Cooperation Zone has become the representative project of China's "Belt and Road" construction, and entered the candidate projects of the first batch of "Silk Road Pearl" of the Ministry of Commerce, and was included in the list of China-Egypt capacity cooperation priority projects. As the industrial demonstration park in Egypt, TEDA Cooperation Zone is called "the most dynamic place in Egypt" and "the place representing the future of Egypt" by the General Administration of the Suez Canal Economic Zone in Egypt

Investment Opportunities——Fit to National Strategy

Egyptian Suez Canal Corridor Development Plan

 Egypt's Government plans to build the area of 76,000 km² of the canal corridor into parks of international industries, IT electronics and logistics.

 It is planned to establish multiple industrial parks involving logistics, assembling, shipbuilding and navigation, construct infrastructures such as highway, airport and port, and develop multiple high-tech engineering projects.

 The plan will drive investment and development of multiple industries such as rolled steel, building materials and engineering machinery.



Investment Opportunities — New Capital Planning



New Capital Planning



Between Cairo and the Red Sea, the new capital is located in the east to Cairo, covering an area of 700 km². After it is established, it can accommodate 5 million people, with 1.1 million houses and 1.75 million of long-term work positions. It is estimated that USD 45 billion will be spent.



It will drive development of Suez Canal Economic Belt and Red Sea Economic Belt powerfully and drive development of multiple industries such as cement, building materials, household appliances and decorative materials.

Investment Environment—Economic opening



Egypt is an open market economy with a relatively complete industrial, agricultural and service system. It is recognized as one of the best destinations of overseas investment in the world.

✓ **High-quality professionals**

Egypt's workforce has proficient skills and a high level of professionalism.

✓ **Lower corporate income tax**

Egypt is one of the countries with the most favorable corporate income tax rate in the world, and its tax environment is more conducive to enterprise development.

✓ **Radiation power in the markets of Africa, Middle East and Europe**

Egypt is located at the border of Africa, Mediterranean Region and Europe, where overseas companies are more likely to sell and operate in the Africa, Middle East and European markets.



Investment Opportunities—— Advantages of International Market with Bilateral and Multilateral Trade Agreements



Egypt has signed multiple bilateral and multilateral trade agreements with major economic entities in the world, such as America, European Union, Middle East and Africa.



The products won't be restricted by quantitative quota or seasonal quota.



Can enter markets of America, European Union, Africa, Turkey and Arab countries easily.



Corresponding tariff barriers or non-tariff barriers are exempted or avoided.

Investment Opportunity – Framework Agreement for African Continental Free Trade Area

On July 7, the African Union held its 12th special summit in Niamey, the capital of Niger, announcing the launch of the African Continental Free Trade Area (AfCFTA). Of the 55 members of the African Union, 54, including **Egypt**, have signed the agreement and 27 have submitted their ratification documents to the African Union Commission after they have been approved in accordance with their respective legal procedures. The summit also launched five documents supporting the operation of the free trade area, namely, **the agreement of origin, the online consultation forum, the mechanism for monitoring and reducing non-tariff barriers, the digital payment system and the African trade observation portal.**

The African Free Trade Area is one of the most ambitious projects in the *African Union's Agenda 2063*. The African Union estimates that **the trade volume within the African continent will increase by 60% in 2020. AfCFTA will form a huge market with a population of 1.2 billion and a total economic volume of USD 2.5 trillion, becoming the largest regional free trade area in the world.**



合格工业区协议



Egypt has a total of 15 qualified industrial zones. **China-Egypt TEDA Suez Economic and Trade Cooperation Zone enjoys preferential policies among these 15 qualified industrial zones.**

According to the provisions of the Qualified Industry Agreement, products exported from the TEDA Cooperation Zone to the United States **can be exempted** from customs duties entirely when entering the United States market as long as they contain at least **10.5%** of Israeli industrial materials or services and **24.5%** of Egyptian industrial materials or services.

Investment Guarantee—— National Escort

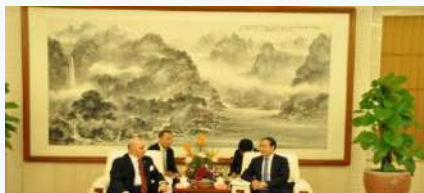
The 3-Level negotiation mechanism for the TEDA Cooperation Zone has been fully established



China and Egypt has built up “comprehensive strategic partnership” and they propel mutual development in multiple fields such as politics, economy, trade and science and technology. The two countries established 3-level negotiation mechanism for the Cooperation Zone, which confirmed the legal status of the TEDA Cooperation Zone and can promote different levels to assist in solving difficulties of the TEDA Cooperation Zone.



2017-04-03
The Management Committee
of the TEDA Cooperation Zone
was unveiled.



2017-07-27
The Intergovernmental
Coordination Committee of the
TEDA Cooperation Zone was
established.



2018-12-02
The Intergovernmental Second
Coordination Meeting of the TEDA
Cooperation Zone was held.

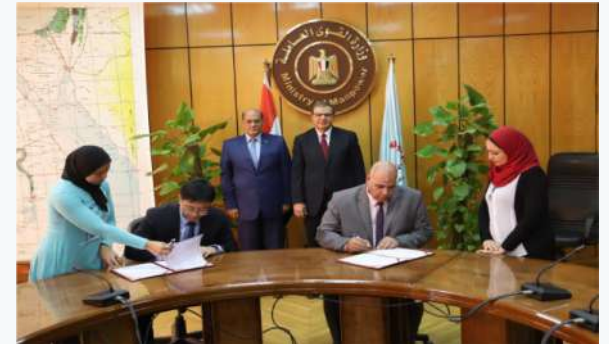
Investment Guarantee - Human Resources

TEDA Cooperation Zone X Egyptian Ministry of Human Resources



On August 28, 2019, counsellor Han Bing of the Economic and Commercial Counsellor's Office of the Chinese Embassy in Egypt, on behalf of the Chinese government, reached an agreement with Yehia Zaki, Chairman of the General Authority of the Suez Canal Economic Zone in Egypt, on **China Aided Vocational and Technical Training Center Project of Egypt's Suez Canal Economic Zone to be Located in the Expansion Area of the TEDA Cooperation Zone**, and signed for confirmation. The project is planned to cover an area of **40,000 square meters**. It will be equipped with teaching buildings, dormitories, training rooms, canteens and exercise yards and so on. It is planned to set up majors such as machinery, electricity, renewable energy, automobile assembly and maintenance, industrial robots, electronic product design and manufacture, assembly and maintenance, and communication network technology to train practical professional and technical personnel for the local region.

On October 10, 2019, witnessed by Egypt's Minister of manpower ministry Mohamed Safaan, Egypt-TEDA SEZone Development Company and Suez manpower ministry signed an agreement on human resources cooperation. According to the agreement, TEDA Cooperation Zone will help promote the local employment rate by providing a large number of high-quality jobs. **Suez manpower ministry will provide skilled and trained workers according to the employment demands of TEDA Cooperation Zone and the enterprises settled in the zone** to form win-win cooperation.



Investment Guarantee

—Risk Prevention and Control



Personal Safety

The Cooperation Zone has built good relationship with the military of Egypt and it has established the combined service mechanism and combined safety protection group together with the police and the local Bedouins to enhance the linkage and interactions between the two parties in emergency and guarantee the safety of enterprises, staffs, property and assets of the industrial park. Various Service Company was established in the Cooperation Zone and professional safety guarding team has been employed. Through construction of stereoscopic and comprehensive safety guarding system, we improve the investors' personal safety overseas.



Property

Working in close collaboration with the financial platform to provides overseas investment insurance for enterprises entering the Cooperation Zone to guarantee that the overseas investment and vested interest of the enterprises are protected from damage caused by political risks such as expropriation, exchange restriction, war, political rebellion and government default, which has reduced the overseas investment risks of the enterprises to a great extent.



PART TWO

The Future of TEDA Cooperation Zone

The future
is here



At present, in order to actively implement the instructions and requirements of the leaders of China and Egypt on the construction of the TEDA Cooperation Zone, the TEDA Cooperation Zone will be comprehensively upgraded from six aspects such as optimizing the business environment, accelerating industrial agglomeration, expanding the functions of the zone, promoting the linkage between the two zones, improving financial services and promoting people-to-people exchanges.

In the future, with the continuous advancement of the national "Belt and Road Initiative" construction, TEDA Cooperation Zone will surely become a development center along Africa and even the entire "Belt and Road Initiative".

TEDA Cooperation Zone is willing to build the best overseas investment platform and production capacity transfer base for domestic enterprises willing to "go global" and strive to build a demonstration zone for economic and trade cooperation between China and Egypt and even the world.





THE BELT AND ROAD INITIATIVE

THANK YOU FOR Listening

CHINA-AFRICA TEDA INVESTMENT CO.,LTD



Welcome to pay attention to
WeChat Official Account of
China-Africa TEDA



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Shengda Street, Tianjin Economic-Technological
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Tel.: 0086-22-66283510

Website: www.setc-zone.com



China National Petroleum Corporation (CNPC)

Investment status, Opportunities, Risk outlook in Central Asia

CNPC Economics & Technology Research Institute
(ETRI)

December 2020



- I. Investment status of CNPC in Central Asia
- II. Future Investment Opportunities
- III. Investment risk outlook



I. Current status of investment

CNPC has formed integrated upstream, midstream and downstream cooperation in Central Asia

CNPC entered Central Asia in 1997, and after more than 20 years of hard work and entrepreneurship, it has formed a full industry chain cooperation integrating oil and gas exploration and development, pipeline construction and operation, engineering services, refining and sales.

Currently, CNPC operates 11 upstream cooperation projects in four Central Asian countries:

Kazakhstan: Aktobe Project, Kashagan Project, North Buzachi Project, KAM Project, PK Project, MMG Project

Turkmenistan: Amu Darya Project

Uzbekistan: Mingbulak Project, Silk Road Project, Aral Sea Project

Tajikistan: Pakhtar Project



China-Kazakhstan Crude Oil Pipeline

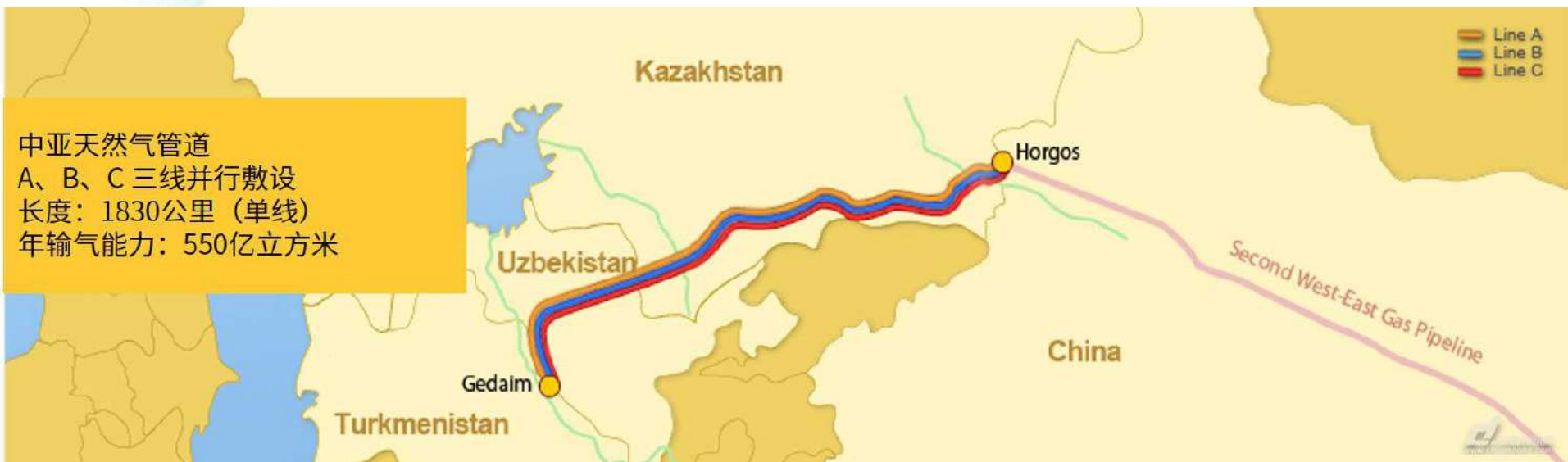
Completed China-Kazakhstan crude oil pipeline with a capacity of 20 million tonnes/year of oil supply to China and a cumulative supply of over 120 million tonnes of oil to China.





Central Asia-China Gas Pipeline

Completed the Central Asia ABC Line gas pipeline, with a gas transmission capacity of 55 billion cubic metres per year to China and a cumulative gas supply to China of over 280 billion cubic metres.





Central Asia Line D Gas Pipeline

China is constructing the Central Asia Line D gas pipeline, which will increase Central Asia's gas supply capacity to China by 30 billion cubic metres per year in the future.





PK Refinery

The PK Refinery is a complementary facility to the PK upstream project, with a refining capacity of 6 million tonnes per annum.





Central Asia becomes an important cooperation region for CNPC's international business strategy

- ✓ It is the region with the most important overseas position, the most complete business chain and the strongest scale strength of CNPC
 - Upstream production scale of 30 million tonnes of oil equivalent
 - Strategic oil and gas corridor in the northwest, with a crude oil transmission capacity of 20 million tonnes and a natural gas transmission capacity of 55 billion cubic metres; cumulative oil transmission to China of over 100 million tonnes and 180 billion cubic metres
 - With a refining capacity of 6 million tonnes, the Shymkent refinery has been operating safely and smoothly for over 15 years



Good track record of CSR

- ✓ CNPC has always adhered to the concept of "mutually beneficial and win-win cooperation and common development" in Central Asia, and has conscientiously fulfilled their CSR, with a number of projects winning awards from the governments of resource countries.
- ✓ Vigorously implementing localisation, providing over 30,000 jobs in the region.
- ✓ The CNPC-assisted Kazakhstan Dance Academy was awarded the title of national higher education unit by the President of Kazakhstan, creating favourable conditions for humanistic exchanges between China and Kazakhstan.





Promoting "Belt and Road" initiative strategic cooperation

- ✓ China's oil and gas cooperation with Central Asian countries has been fruitful for more than 20 years and has played a leading role in the construction of the "Belt and Road".
- ✓ CNPC has made Central Asia a core oil and gas cooperation zone, which is of great significance for safeguarding China's energy security and for developing a stable cooperation relationship between China and Central Asia with good neighbourliness as the core.



- I. Investment status of CNPC in Central Asia
- II. Future Investment Opportunities
- III. Investment risk outlook



II. Future Investment Opportunities

- The oil and gas industry is the backbone of economic development in resource countries
 - The economic development of Central Asian countries is closely linked to oil and gas revenues, which are an important component of the GDP of resource countries
 - Central Asian oil and gas exports account for half of total export earnings of resource countries

2019 Central Asian countries' oil and gas revenues in US\$ billion

	Kazakhstan	Turkmenistan	Uzbekistan	Tajikistan	Kyrgyzstan	Azerbaijan	Total
Oil and gas revenue	279	28	7.6	0.08	0.08	119	433.8
Total GDP	1793	407	504	75	83	471	3333
Oil and gas revenues as a percentage of GDP	15.6%	7%	1.5%	0.1%	0.1%	25.3%	13%
Oil and gas exports	412	97	40	0	0	172	721
Total exports	611	112	109	11	18	195	1056
Oil and gas as a percentage of total exports	67%	86%	37%	0%	0%	88%	68%



- Oil and gas is the cornerstone of stability and development in Central Asian countries
 - Use oil and gas as a medium to promote energy diplomacy. Develop relations with China, Europe and South Asian countries on the basis of resources and pipelines.
 - Using oil and gas as a source of wealth, the livelihoods and social stability is guaranteed by providing cheap energy and improving social welfare. The price of oil and gas for civilian use is heavily subsidised in Kazakhstan, Turkey and Afghanistan; the price of petrol is lower than the global average price of petrol.
 - Oil and gas drives rapid economic development. Industry in Central Asian countries provides ample power support to drive sustained and stable development of regional industry.

Civilian oil and gas prices in Central Asian countries

	Kazakhstan	Turkmenistan	Uzbekistan	Tajikistan	Kyrgyzstan	China	United States	Global
Natural gas US\$/square	0.05 (17)	0.05 (19)	0.07 (19)	0.46 (16)	0.21 (19)	0.4	0.33 (19)	-
Petrol 95 USD/litre	0.48 (17)	0.43 (19)	0.93 (19)	0.74 (16)	0.62 (19)	0.9	0.66 (19)	0.97



1. Upstream cooperation base

➤ Relatively rich in oil and gas resources

- Significant oil and gas resources remain to be discovered
- Oil resources to be discovered mainly in Kazakhstan, gas mainly in Turkmenistan
- Mainly in the Amu Darya basin, Caspian basin and South Caspian basin

Distribution of oil and gas resources to be discovered in Central Asia

Country	Oil		Natural gas	
	billion tonnes	Percentage, %	Trillion cubic metres	Percentage, %
Kazakhstan	28.8	56	3.5	15
Turkmenistan	5.0	10	14.8	65
Uzbekistan	2.8	5	2.9	13
Tajikistan	0.1	0	0.0	0
Kyrgyzstan	0.2	0	0.0	0
Azerbaijan	14.8	29	1.6	7
Regional Subtotal	51.6	100	22.8	100
Percentage of world	4.0%		3.5%	

Basin	Oil		Natural gas	
	Billion barrels	Percentage, %	Trillion cubic metres	Percentage, %
Bin Caspian Sea Basin	203	49	2.2	9
South Caspian Basin	99	24	1.5	6
Amu Darya Basin	35	9	19.5	79
South Turgai Basin	31	8	0.1	0
Northern Ust-Kurt Basin	10	2	0.1	0
Ferghana Basin	10	2	0.1	0
Other basins	24	6	1.4	5
Regional Subtotal	412	100	24.9	100



➤ **Low level of exploration**

- Only 7% of the total basin area is in a mature state of exploration
- Over 60% of the basin is in a preliminary state of exploration

Extent of basin exploration in Central Asia

Degree of exploration	Well control area (km ²)	Number of basins	Basin area (million square kilometres)	2D Earthquake (million kilometres)	3D Earthquake (million square kilometres)	Wildcat Wells (mouth)	Area share (%)
High maturity	0-99	3	7	0.8	0.3	746	0.8
Mature	100-299	9	52	9.7	1.7	2882	6.3
Relatively mature	300-999	19	108	12.2	2.5	2514	13.0
Less mature	1000 or more	14	151	3.5	0.8	667	18.2
Preliminary Exploration	Very few exploratory wells	59	510	0.8	0.1	88	61.7
Total		104	828	27.0	5.4	6897	100



- Uneven distribution of resources and poor exploration prospects in the vast majority of the basin
 - 80% of oil reserves are concentrated in 5 basins
 - 85% of gas reserves are concentrated in 4 basins
 - 2/3 of the basins are poorly explored prospectively, accounting for 3/4 of the basin area in the region

Basin exploration prospectivity in Central Asia

Exploration Vision	Discovered oil reserves		Discovered gas reserves		Discovered oil and gas reserves		Number of basins	Basin area (million square kilometres)	Area share (%)
	Billion barrels	Percentage, %	Trillion cubic metres	Percentage, %	Billion barrels of oil equivalent	Percentage, %			
Excellent	15.9	40	2.82	77	193	71	5	73	8.8
Better	18.7	47	0.26	7	35	13	11	67	8.0
Moderate	5.2	13	0.57	16	41	15	11	42	5.0
Limited	0.2	1	0.02	1	1	0	8	40	4.8
Poor	0.1	0	0.00	0	0	0	69	607	73.3
Total	40.0	100	3.67	100	271	100	104	828	100



➤ Large remaining reserves, low level of exploitation and high potential for increased production

- Remaining recoverable reserves of oil are mainly located in Kazakhstan
- Remaining recoverable reserves of natural gas are mainly located in Turkmenistan
- Low levels of both oil and gas recovery

Extent of oil and gas exploitation in Central Asian countries

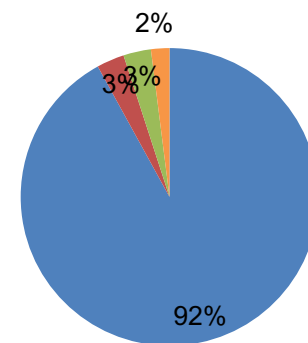
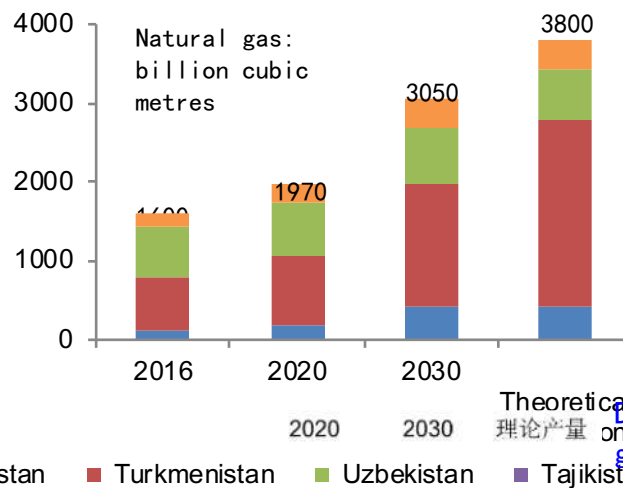
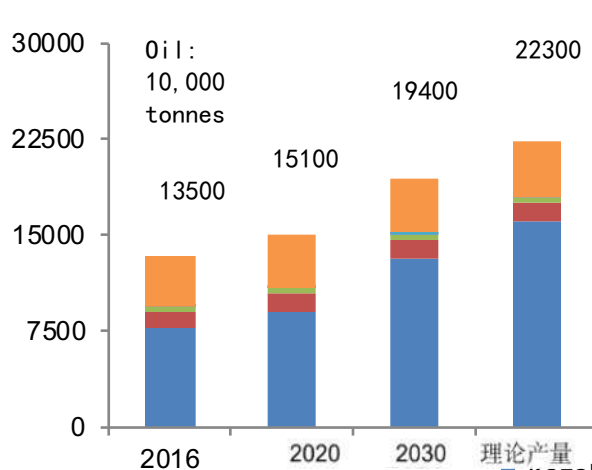
Country	Cumulative oil production (billion tonnes)	Remaining recoverable reserves of oil		Cumulative natural gas production (trillion cubic metres)	Remaining recoverable reserves of natural gas		Degree of exploitation, %	
		billion tonnes	Percentage, %		Trillion cubic metres	Percentage, %	Oil	Natural gas
Kazakhstan	6.3	39.3	75	0.7	0.9	4	14	42
Turkmenistan	2.9	2.7	5	2.5	17.6	77	52	12
Uzbekistan	2.2	0.8	2	2.3	3.0	13	73	68
Tajikistan	0.0	0.0	0	0.0	0.0	0	0	0
Kyrgyzstan	0.0	0.1	0	0.0	0.0	0	25	60
Azerbaijan	18.3	9.6	18	0.6	1.2	5	66	32
Regional Subtotal	29.7	52.5	100	6.1	22.7	100	36	23
Percentage of world's total	-	3%	-	-	11%	-	-	-



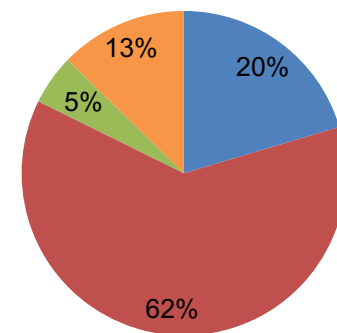
➤ Steady growth in future oil and gas production

- Average annual growth rates of 2.6% and 4.7% for oil and gas production in Central Asian countries until 2030
- Oil production growth mainly from Kazakhstan
- Gas production growth mainly from Turkmenistan

Changes in oil and gas production in Central Asia



Oil production growth distribution



Distribution of natural gas production growth

■ Kazakhstan ■ Turkmenistan ■ Uzbekistan ■ Tajikistan ■ Kyrgyzstan ■ Azerbaijan



➤ Many projects to be developed, high potential to increase production

- Oil projects to be developed mainly in Kazakhstan
- Natural gas projects to be developed mainly in Turkmenistan
- The distribution of oil resources to be exploited is roughly equal between land and sea; gas resources to be exploited are mainly located onshore, accounting for 83% of the total

Oil and gas projects to be developed in Central Asia

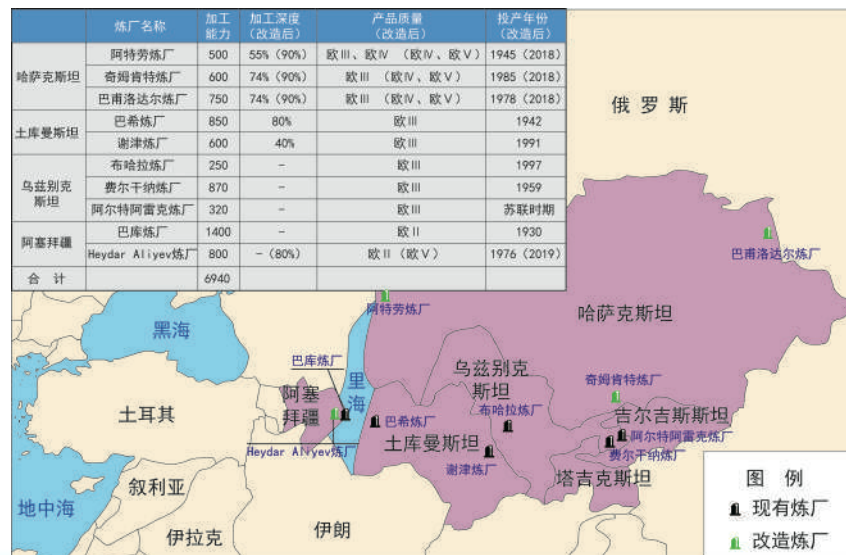
Country	Number of oil fields		Recoverable Reserves		Peak production		Number of gas fields		Recoverable Reserves		Peak production	
	Number	Percentage	billion tonnes	Percentage	million tonnes	Percentage	Number	Percentage	Billion cubic metres	Percentage	Billion cubic metres	Percentage
Kazakhstan	157	63%	4.26	76%	3160	81%	79	27%	5403	15%	485	19%
Turkmenistan	18	7%	0.26	5%	123	3%	109	38%	24606	67%	1560	62%
Uzbekistan	37	15%	0.15	3%	85	2%	85	30%	2661	7%	166	7%
Tajikistan	3	1%	0	0%	0	0%	0	0%	0	0%	0	0%
Kyrgyzstan	2	1%	0.01	0%	0	0%	2	1%	7	0%	0	0%
Azerbaijan	34	14%	0.93	17%	514	13%	13	5%	4059	11%	325	13%
Total	251	100%	5.61	100%	3882	100%	288	100%	36736	100%	2536	100%



2. Refining industry cooperation base

➤ Refinery equipment is old, processing depth is inadequate and modernisation is required

- The processing depth is generally below 75% and the products are mainly of Euro III standard
- Four refineries are being renovated and upgraded, with processing depths of over 80% proposed and products upgraded to Euro IV and Euro V standards
- Six refineries are available for modernisation





➤ Structural shortage of refined oil

- Gasoline and paraffin are in short supply, diesel is in oversupply
- Kazakhstan imports full range of refined oil products with largest shortfall
- Consumption of refined oil products in Uzbekistan is severely constrained
- Turkmenistan and Azerbaijan are the main exporters of refined oil products

Balance of supply and demand for refined oil products in Central Asian countries in 2018

		Kazakhstan	Turkmenistan	Uzbekistan	Kyrgyzstan	Tajikistan	Azerbaijan	Central Asia
Petro l	Capacity	399	261	115	22	0.1	119	916.1
	Consumption	458	150	106	80	17.4	128	939.4
	Net imports	59	-111	-9	58	17.3	9	23.3
	External dependence	13%	0%	0%	72%	99%	7%	2.5%
Diese l	Capacity	467	277	108	8	1.7	199	1060.7
	Consumption	477	208	108.2	75	22	126	1016.2
	Net imports	10	-69	0.2	67	20.3	-73	-44.5
	External dependence	2%	0%	0.2%	89%	92%	0%	4.4%
Paraf fin	Capacity	39	47	19	0	0	70	175
	Consumption	11	0	19	0.1	0	36	66.1
	Net imports	-28	-47	0	0.1	0	-34	-108.9
	External dependence	0%	0%	0%	100%	0%	0%	0%
Total	Capacity	905	585	242	30	1.8	388	2151.8
	Consumption	946	358	233.2	155.1	39.4	363	2094.7
	Net imports	41	-227	-8.8	125.1	37.6	-98	-130.1
	External dependence	4.3%	0%	3.7%	80%	95%	26%	6.2%



➤ Current planning cannot meet the demand for refined oil products and the shortfall will continue to grow

- The main shortfall in the short term is from Uzbekistan and in the long term from Kazakhstan
- Stable shortfall of 8 million tonnes of refined oil products by 2030
- Without new refineries, there will be a shortfall of 13 million tonnes of refined oil products in 2035

Supply and demand forecasts for refined oil products in Central Asia





3. Basis for chemical cooperation

➤ The petrochemical industry is backward in development, with small-scale projects, low production capacity and a single product range

- Five major petrochemical projects in the region, all with an annual capacity of less than 500,000 tonnes and all with only three to four product varieties
- Ethylene production capacity is spread across Uzbekistan, Kazakhstan and Azerbaijan, with a total capacity of less than 500,000 tonnes/year, comparable to the level of the Middle East in the 1980s (640,000 tonnes of ethylene capacity in the Middle East in 1984)

Existing chemical projects in Central Asian countries

	Project name	Production capacity	Notes
Kazakhstan	United Kazakh Chemical Company	15,000 tons/year of BOPP film, 48 million polypropylene bags/year, 4,100 tons of polyethylene film	Natural gas chemical project, with plans to add new butadiene and synthetic rubber production units and 233,000 tonnes/year of urea production equipment
	Kazakhstan Ammonia Fertilizer Company	110,000 tons/year of liquid ammonia, 150,000 tons/year of nitric acid and 170,000 tons/year of ammonium nitrate	Natural gas chemical projects
Uzbekistan	Shultan Gas Chemical Complex	140,000 tonnes/year of ethylene and 125,000 tonnes/year of polyethylene	Natural gas chemical projects
	Ustyurt Gas Chemical Complex	387,000 tonnes/year of polyethylene, 83,000 tonnes/year of polypropylene and 102,000 tonnes/year of cracked gasoline	Natural gas chemical projects
Azerbaijan	Azerbaijan State Oil and Chemical Company	100,000 tonnes of polyethylene, 100,000 tonnes of ethylene, 50,000 tonnes of propylene and 100,000 tonnes of synthetic resin in 2016	Petrochemical project with two petrochemical plants, Azerikimya and Petkim, built in 2003 and 1965 respectively



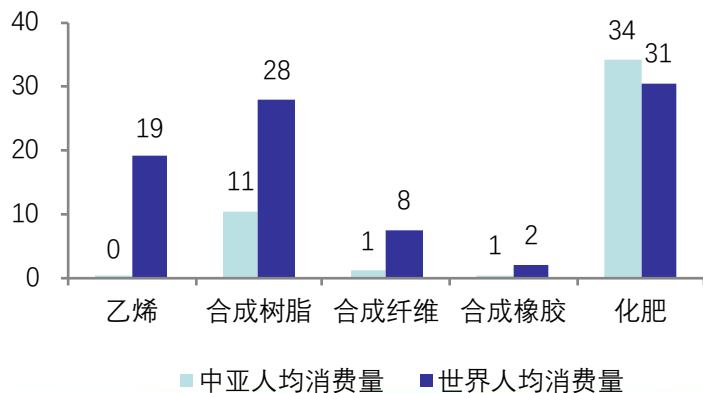
➤ Low production of petrochemicals and consumption levels below world per capita

- Central Asia relies heavily on imports of petrochemicals from China, Russia and other countries
- In terms of world per capita consumption, except for fertilizers, the rest of the petrochemical products consumption are low, consumption is limited by the supply, the total shortage of nearly 4 million tons, of which synthetic resin shortage is the largest

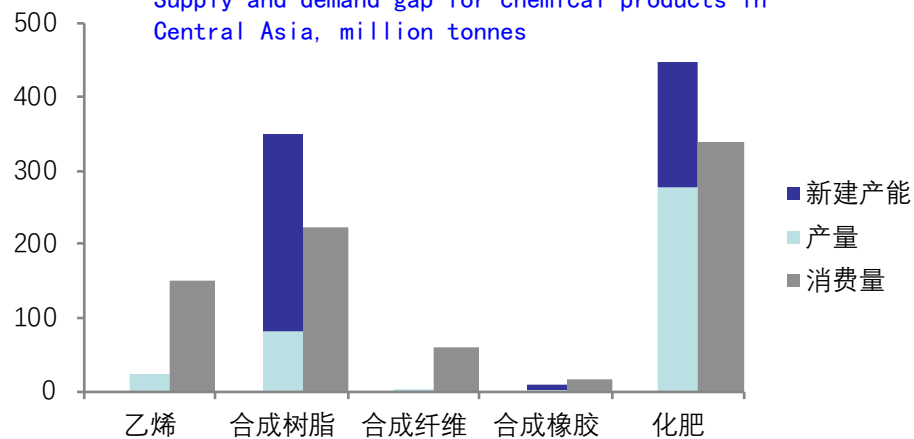
➤ The planned projects still do not meet the needs of the region

- Ethylene, synthetic fibres and synthetic rubber will not be able to meet demand when the planned projects come on stream
- There is spare capacity for synthetic resins and fertilisers for export

Gap in chemical consumption per capita between Central Asia and the world, kg



Supply and demand gap for chemical products in Central Asia, million tonnes





4. Basis for pipeline cooperation

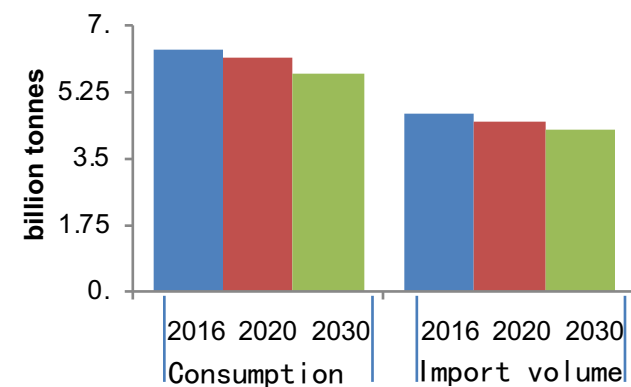
(1) Oil

- A well-developed oil pipeline network with existing export capacity to meet export needs to 2030
 - Low utilisation of export pipeline at present, with Kazakhstan and Azerbaijan being the main exporters
 - 155 million tonnes of crude oil expected to be exported in 2030, with pipeline capacity still available to meet export needs
- Declining European demand constrains westward exports
 - European crude oil consumption is projected to fall by 10% and imports by 9% in 2030 compared to 2016

Major oil export corridors in Central Asia 10,000 tonnes

Country	Export Direction	Pipeline name	Length (kilometres)	Capacity		2016	
				2016	2030	Transport volume	Utilization rate
Kazakhstan	China	China-Kazakhstan Crude Oil Pipeline	3000	2000	2000	380/1080	54%
	Russia and Europe	CPC Pipeline	1580	6700	6700	4430	66%
		Atyrau-Samara Pipeline	695	2800	2800	1500	54%
		Port of Aqtau		1100	1100	320	29%
Azerbaijan	Europe	BTC Pipeline	1770	5000	5000	2880	58%
		Baku-Supsa pipeline	837	750	750	303	40%
		Baku-Novorossiysk pipeline	1360	500	700	122	24%
		Turkmenistan	Europe	Ports of Turkmenistan		660	660
Total				18850	19050	11095	59%

Changes in European oil consumption and imports





(2) Natural gas

➤ Well-developed gas pipeline network to meet export needs to 2030

- Central Asia's gas exports all via pipeline
- Turkmenistan is a major exporter with low utilisation of export pipelines
- A number of gas export pipelines are under construction
- 160 billion cubic metres of gas expected to be exported in 2030, with sufficient pipeline capacity

Major gas export pipelines in Central Asia

Billion cubic metres

Country	Direction of export	Pipeline name	Length (kilometres)	Capacity		2016	
				2016	2030	Transport volume	Utilization rate
Turkmenistan	Russia	Central Asia – Central (CAC)	4000	600	600	11/192	32%
	China	Central Asia Gas Pipeline ABC Line	1818	550	550	294/341	62%
	Iran	Krpeze Koldkuy	226	80	80	67	34%
		Dovreitabad–Hangeland	180	120	120		
	China	Central Asia Line D	1000	–	300	–	–
India	TAPI pipes	1800	–	330	–	–	
Uzbekistan	Russia	Bukhara–Ural	4500	80	80	36	45%
Azerbaijan	Europe	South Caucasus Gas Pipeline (SCP)	885	90	250	86	96%
		Trans-Anatolian Gas Pipeline	1700	–	200	–	–
		Trans-Adriatic gas pipeline	800	–	100	–	–
Total				1520	2350	722	42%

Note: / First is the country's export volume through the pipeline, / Second is the total pipeline transport volume



Thanks!



SPECIAL ECONOMIC ZONES AND INVESTMENT OPPORTUNITIES IN PAKISTAN

CHINA-PAKISTAN ECONOMIC CORRIDOR AUTHORITY

Sequence

- Population, work force and skills development
- Imports
- Business environment
- Geo-strategic location
- Legal Regime on Investment
- Investment Policy
- SEZs under CPEC
- Why invest in Pakistan?

Population and Work Force in Pakistan



- Estimated population of Pakistan in 2019 **211.17 million.**
- Composition skewed towards working age (15-64) population.
- Population falling in the age group of 15-64 years **61.4 percent**
- If this demographic dividend is harnessed and skills are imparted to youth to meet domestic and international market requirements, it would increase industrial productivity at home and higher remittances from abroad.
- The Government focusing on employment generation through industrialization and skill development.

Population and Work Force in Pakistan



- **9th largest labour force** in the world
- Population growth rate of 1.94 percent.
- Large number of young labour force is being added every year.
- According to the Labour Force Survey 2017-18 the total labour force was **65.5 million** in Pakistan.
- For the first time in Pakistan, a National Job Portal has been introduced to link skilled workers with employers.
- Skill profiles of more than 550,000 youth are available on the National Job Portal.

Population and Work Force in Pakistan



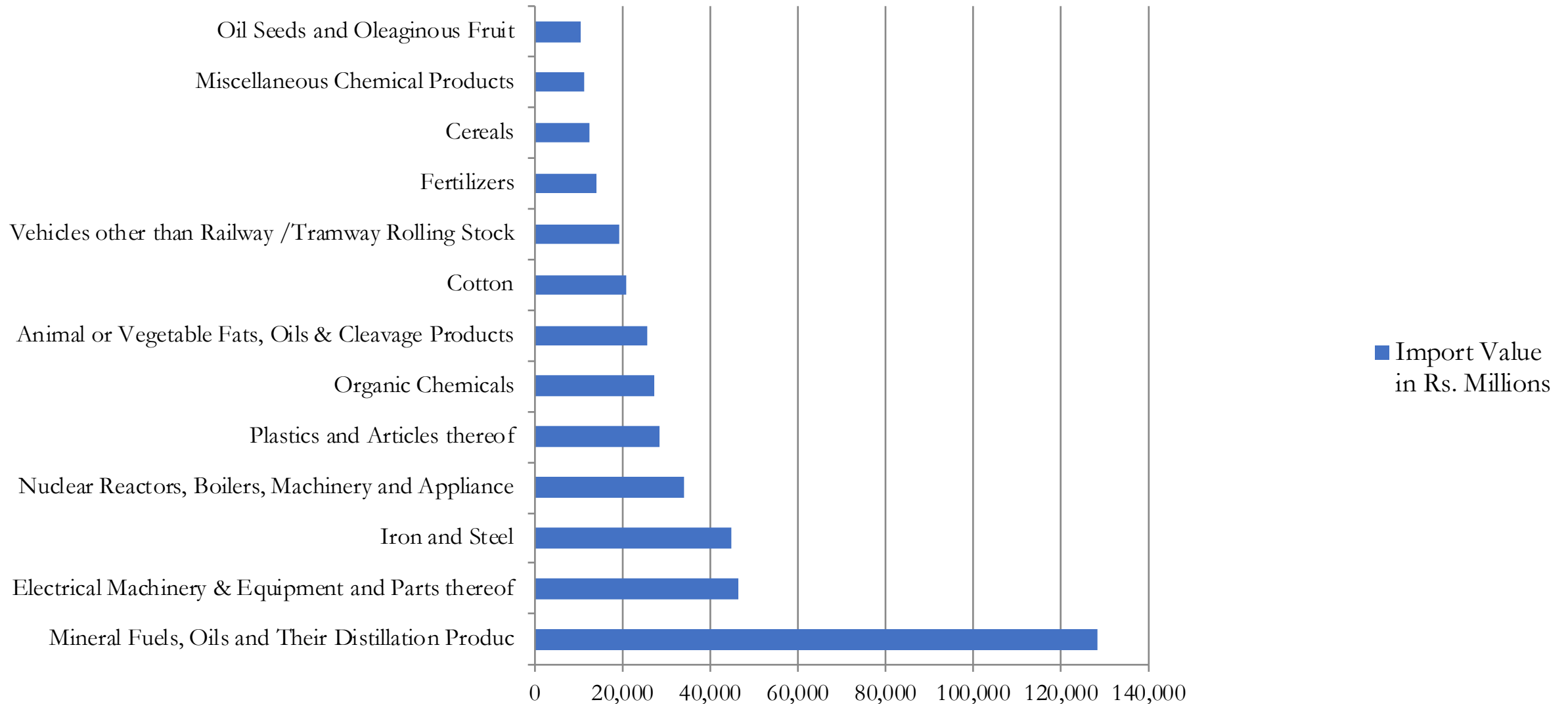
- National Vocational and Technical Training Commission (NAVTTTC) is executing nation-wide targeted skill development programme which focuses on preparing skilled workforce for the local and international labour market.
- Internationally recognized Competency based training (CBT) modules have been introduced in the country to replace the traditional mode of training.
- More than 200,000 youth have been trained by targeted training programmes so far.
- Additionally, NAVTTTC has also established Job Placement Centers (JPCs) at Islamabad, Karachi & Lahore and more than 100 Vocational Counseling Centers (JP&VCCs) across the country for the benefit of youth.

Major Imports of Pakistan



Mineral Fuels, Oils, Distillation Products 29%	Electrical, Electronic... 8.5%	Animal, Vegetable Fats and Oils, Cleavage... 3.9%	Vehicles Other Than Railway, Tramway 2.9%	Oil Seed, Oleagic Fruits, Grain, Seed, Fruits 2.4%	Cotton 1.7%	
	Iron and Steel 6.2%	Pharmaceutical Products 1.6%	Manmade Filaments 1.3%	Ships, Boats, and Other Floating Structures 1.2%	Edible Vegetables and Certain Roots and Tubers 1.2%	Fertilizers 1.2%
		Articles of Iron or Steel 1.5%	Manmade Staple Fibers 1.2%	Aluminum 1.0%	Copper 1.0%	0.99%
	Organic Chemicals 4.7%	Miscellaneous Chemical Products 1.5%	Other Made Textile... 1.5%	Rip of...	Edible Fruits...	Wood and...
	Machinery, Nuclear Reactors, Boilers 9.4%	Plastics 4.4%	Coffee, Tea, Mate and Spices 1.3%	Essential...	0.68%	0.68%

Major Imports of Pakistan



Ease of Doing Business in Pakistan



- Consistent efforts to improve business environment in the country.
- Since 2016, almost 300 reforms implemented to improve investment climate in the country.
- Pakistan improved 39 positions in EODB ranking in the last two years and clinched the 108th position out of 190 in 2020.
- Recognized as the top reformer in South Asia and sixth reformer in the world.
- Moreover, for Doing Business report 2021, more reform actions and 30 data challenges have been submitted to the World Bank and it is expected that Pakistan will register further improvement this year.

Pakistan Among Top Five Countries with Most Investment



The World Bank report, Private Participation in Infrastructure (PPI) 2020 Half Yearly, states that Pakistan had the **fourth highest investment commitments**, a new entrant to the top five countries this year with \$1.9 billion of investment commitments in the first half of 2020, accounting for 0.69 per cent of GDP.

Geo-Strategic Location of Pakistan



- Situated in South Asia, Pakistan is a gateway to Central Asia. Through Arabian Sea, provides an easy access to the Middle East.
- Lies in the neighborhood of China and India - the economic giants of future.
- Among the innumerable gifts bestowed upon Pakistan by nature, one of the most important ones is its ideal and highly strategic geographical location.
- Strategic location of Pakistan makes it the hub of international trade and commerce, opening up new doors of progress and prosperity for local as well as foreign investors.

Geo-Strategic Location of Pakistan



- The **Karakoram Highway** connects both the countries and is known as the 8th wonder of the world.
- This road is actually a trade link between 3 billion people of the region with the rest of the world.
- **Gwadar Port** - a natural strategic warm-water deep sea port vital to compliment trade.
- Pakistan has 3 Seaports from where international trading activities take place; Karachi, Port Qasim and Gwadar, being linked to China through a network of highways and upgradation of rail link.
- Goods produced in China would cover half the distance for trade with the western countries. When routed through Pakistan.

Legal Regime on Investment in Pakistan



- Pakistani domestic legal regime on investment (**Foreign Private Investment Act of 1976, Furtherance and Protection of Economic Reform Act of 1992, Investment Policy 2013**) provides the basis for the core protection guarantees which are applied equally to both foreign and domestic investors.
- Under the legal regime, foreign investors can
 - A. Repatriate profits, dividends or any other funds in the currency of the country from which the investment originates.
 - B. Own 100% equity of allowed businesses
- Entire procedure online - end to end automation among 9 departments.
- Registering a company does not involve human intervention.

Legal Regime on Investment in Pakistan



- The company can now be registered in one day with the Securities and Exchange Commission of Pakistan (SECP) on its online platform.
- Under the “**Pakistan Regulatory Modernization Initiative**“, Pakistan has embarked on mapping, simplification, elimination and automation of unnecessary regulatory requirements of overall regulatory regime in Pakistan to minimize interaction of businessmen with the Government.
- Liberal Foreign exchange regime as compared to other developing countries

Investment Policy in Pakistan



- The Pakistani government is carrying out an active foreign investment promotion policy (Investment Policy, 2013), and has taken a number of economic liberalisation measures to make the country more attractive.
- Pakistan offers a number of tax incentives for the establishment of industrial units in certain specific sectors: **energy, ports, highways, electronics and software.**
- The government also offers incentives to Export-Oriented Units, which are stand-alone industrial units allowed to operate anywhere in the country but have to export 100% of their production.
- A majority holding interest in the capital of a local company is legal in Pakistan

Investment Policy in Pakistan



- Foreign investment in an existing Pakistani company essentially follows the same regulations as that for new ventures.
- Any purchase of shares by a foreign investor would require such investment to be registered with the State Bank of Pakistan so as to enable the entitlement of foreign investment similar to that of a new venture.
- There are no minimum or maximum limits imposed on the age of individual investor ownership in a public limited company.

Guiding Principles of Investment Policy 2013



- **Following basic principles provide theme of the Policy:**
 - Reducing the cost of doing business in Pakistan,
 - Reducing the processes of doing business,
 - Ease of doing business with creation of industrial clusters and Special Economic Zones,
 - Linkages of trade, industrial and monetary policies for greater convergence.

Special Economic Zones under CPEC



▪ **Special Economic Zone (SEZ) Framework in Pakistan**

- The SEZ Act was promulgated on September 13, 2012
- SEZ Rules notified the same year.
- Promulgated for attracting investments, to revive and diversify the manufacturing and exports.
- The law provides SEZs to be set up by the Federal or Provincial Governments
 - Themselves or
 - In collaboration with the private sector under different modes of public-private partnership or
 - Exclusively through the private sector.

Special Economic Zones under CPEC



■ Fiscal benefits for the Developers of Special Economic Zones

- Unless otherwise provided in a development agreement, developers shall be entitled to the following benefits, namely:-
 - a) One time exemption from all custom-duties and taxes on plant and machinery imported into Pakistan
 - b) Exemption from all taxes on income accruable in relation to the development and operation of the SEZ for a period of five years, starting from the date of signing of the development agreement.

Special Economic Zones under CPEC



- **Fiscal benefits for the Zone Enterprises in Special Economic Zones**
- All zone enterprises shall be entitled to the following benefits, namely:-
 - a) One time exemption from custom-duties and taxes on import of plant and machinery into Special Economic Zones
 - b) Exemption from all taxes on income for enterprises in the Special Economic Zones for a period of ten years
- Within the objective of promoting hi-tech industries or particular regions, the Board of Approval may grant additional benefits to a particular category of SEZs, zone enterprise, regions or sectors

Special Economic Zones under CPEC



■ General Benefits in Addition to Fiscal Incentives

- a) Each developer shall have the right to set up a captive electric power generation plant or install a hydel power generator of sufficient size to cater to the expected demand for electricity within a particular SEZ and to sell and distribute only the excess electricity so generated within and outside that particular SEZ.
- b) Gas, electricity and other utilities will be provided at the zero-point of the Zones.
- c) One Stop Shop – One window facilitation services are allowed for liaison and facilitation between the relevant federal agencies and SEZ Authorities, developers and zone enterprises

Special Economic Zones under CPEC



■ Additional Incentives for Special Economic Zones

- The additional incentives package for SEZs was approved from the Cabinet on 12th May, 2017.
- The Incentives package included the following;
 - a) Provision of plots on installments (50% down payment and remaining 50% in four biannual installments basis).
 - b) Mark-up support by respective governments @ 50% of the mark-up to a maximum of 5% on the loans taken in Pakistani currency.
 - c) Freight subsidy by Federal Government @ 50% on the inland transportation of plant and machinery.



■ Additional Incentives for Special Economic Zones

- d) One Window Operation by SEZA - The provincial government to either delegate authority for implementing labour, environment and such laws and collection of local/provincial taxes to SEZ or depute representatives of the departments in SEZA office. Federal Government departments (FBR, SECP etc) to depute representatives to perform similar functions in the zone.
- e) The developer shall also be allowed to purchase Gas, Electricity and other utility providers in bulk and supply the same to the enterprises at rates that are duly notified by SEZA in consultation with stake holders.
- f) To reduce cost of setting up, the developer would also be allowed to rent out sheds for industrial use.

Special Economic Zones under CPEC



- Special Economic Zones under CPEC: Nine (09) proposed

❖ Advanced Stage SEZs

- i. Dhabeji Special Economic Zone, Sindh
- ii. Rashakai Special Economic Zone, KPK
- iii. Allama Iqbal Industrial City, Punjab
- iv. Bostan Special Economic Zone, Balochistan

❖ Priority II SEZs

- v. Port Qasim, Karachi
- vi. ICT Model Industrial Zone
- vii. Moqpondass SEZ, GB
- viii. Mirpur SEZ
- ix. Momand Marble City

Special Economic Zones under CPEC



■ Industrial Zones Offer

- Industrial Plots for all Scale industry
- Commercial Plots
- Offices & Outlets
- Centralized Security System
- Warehouse and Dry Ports
- Public Transport
- Emergency Service
- Utilities
- Banks and Financial Services

Special Economic Zones under CPEC



■ Other Facilities

- Supporting Commercial Areas
- Expo Center
- Hotels
- Banks
- Restaurants/Coffee Shops
- Hospital & Trauma Center
- Petrol Pump & CNG Stations
- Labor Colonies
- Aerodrome/Helipad

Why to Invest in Pakistan?



- Huge domestic market with a population of more than 211.17 million, a decreasing level of poverty, a stronger middle class and a vibrant demographics
- Higher rate of return on investment
- An inexpensive and abundant workforce
- Potential of higher GDP growth
- The government is pursuing an FDI attraction policy with numerous privatisations, the guarantee of equal treatment between foreign and local investors and a whole series of tax incentives. It has also made some necessary efforts in terms of economic reform.
- The country has financial and logistical support from the various partner countries and multilaterals.



Thank You!