

Report on CBI's proceedings in Pakistan by PFA

CBI (Centre for the Promotion of Imports from developing countries) is an Agency of the Netherlands Ministry of Foreign Affairs, supporting 48 developing countries in 27 sectors, providing them sustainable strengthening of the competitive capacity of SME exporters and producers, focusing primarily on European markets. CBI's project for Pakistan is one of the four projects of the program for the Metalworking Sector Asia.

The common objective is to develop Pakistan through export boost of engineering goods from Pakistan can only be met through mutual cooperation, support to each other and coordinated efforts to achieve efficiency, effectiveness and synergy. In this regard EDB, TDAP, NPO, PFA, PAAPAM and SMEDA are the six Business Support Organizations (BSOs) which have agreed to join hands. It is worth appreciating that PFA has been selected for Export Coaching Program (ECP) by CBI along with four government organizations and PAAPAM.

In Pakistan, CBI's project duration is 4 years (from Nov. 2012 till the end of 2016). This project aims to achieve increased export turnover of participant selected 20 companies up to € 10 million through the Export Coaching Program (ECP), directly supported by CBI. And increased export turnover of another 15 companies up to € 7.5 million through parallel ECP, supported by selected Business Support Organizations (BSO). This whole Export Coaching Program is divided in 12 activities out of which 3 activities have been completed.

1st Activity

"Process Control Workshop for Manufacturing Companies" was conducted on 25-27 June, 2013 at PAAPAM office, Lahore. The purpose of this three day training workshop was to build capacity within the participants. The persons trained can further impart training to others.

Topics included in training:

- Importance of Process Control in the factory
- Implement Operational Process Control
- Process Flow mapping
- Process flow in-efficiencies, quality disturbances, priorities

Mr. Robert Dresen, First Secretary Economic Department, Embassy of the Netherlands inaugurated that workshop in which CBI consultants Mr. Staf Henderieckx and Mr. Wouter Put delivered the subject matter in detail.



2nd Activity

● "EXPRO Training Seminar was conducted on 10-17 November, 2013 at Hague, Netherlands"
Topics included in training:

● 4 step Export Marketing Plan.

- 1- Situation analysis, own company (Strengths & Weaknesses)
- 2- Opportunities & Market research (Opportunities & Threats)
- 3- PMC (Product Market Combination) & Market entry strategy
- 4- Action plan and budget

● EU Market trends and developments

Social market driven trends

Aging, Congestion in Some urban areas, Income disparity, Understanding customer needs, Owning a car becomes less important, Focus on sustainable and environmentally-friendly products, Global growing population.

● EU technical standards, norms and quality

Increasing innovation, Pressure on carbon-free vehicles, Increasing IT integration, Innovative lightweight and sustainable materials.



- Introduction of Process Control, Quality Definitions, specifications, testing and certification, overall quality
- Cultural differences
- Segmentation/ Product-Market combination /Distribution Channels

Product Market Combinations (PMC) is the concept of matching products with markets: What, Where and to whom you want to sell your product.

Distribution could be done via Sales agent, Importer or Distributor, direct export to OEMs.

- Request for quotation Offers / contracts / General Terms and Conditions
- Risk management Packing & Logistic
- Communication plan, Promotional tools Value Proposition
- Company visit in Hengelo Hanover
- Travel to Hannover, All Company Visit
- Visit to Agritechnica

While visiting Hanover according to my observation European companies are willing to source finished and semi-finished products & components because of green environment and price hike of production in many respects but most of them do not want to visit Pakistan for business purposes due to security issues and willing to conduct meetings in UAE.

3rd Activity

“CBI's BSOD - EXPRO Training Workshop was conducted on 16-19 December, 2013 at Pearl Continental Hotel, Lahore”.

The purpose of this training was to offer added value to the client SMEs by extracting Export Marketing Plan (EMP) on company level from the Sector Export Marketing Plan (SEMP) on sector level.

How to provide knowledge, skills and tools that can be directly applied by BSO staff?

By coaching in development and institutional embedding of export services portfolio in BSO strategy? How?

By development of Sector Export Marketing Planning competences at BSO level? How?

Topics included in training:

- Capacity building versus stake holder's added value and involvement
- Basic information about the European Union
- Market research techniques and web-based market research on CBI's MI-platform
- Work on your own market research targets, - questions and -plan for the EU
- Market access requirements for products in the European market, in particular in the field of consumer health and safety, environment and social issues
- Building your service portfolio and value chain mapping and analysis
- Image building, project proposals and implementation
- Export Marketing Plan template



PFA looks forward to expand manufacturing capacity of foundry industry and to promote trade, commerce and manufacture foundry products for the local and global markets particularly auto and agricultural tractor markets.

PFA understands there are many obstacles for the development of export of foundry products. If these are removed by the CBI coaching program our foundry industry will be able to compete with our neighbor countries to export in Europe etc.