

QUARTERLY REPORT 2018 FOR THE QUARTER ENDING ON JUNE 2018

BUENOS AIRES STATION

1. Summary of April Activities

A. Trade Promotion Activities

Activity	Details
Visit of the Commercial Counselor to Jumbo, Carrefour Headquarters for arranging B2B meetings for the incoming delegation.	Six Pakistani textile companies visited Argentina from Pakistan to participate in the Emitex textile fair. CC visited the major retailers in the City to invite them to the fair and informed them about the profile of the incoming companies.
Pakistan Pavilion at textile Fair in Argentina	Pakistan Pavilion was set-up by the Commercial Section at the Emitex fair which housed four Pakistani companies named Interloop, Adamjee, KB Enterprises and Fazal Cloth Mills.
Investment opportunities in Pakistan	Miguel Boffeli, an Engineer went to Pakistan for re-initiation of work on Tuwairqi steel mills-an FDI by KSI, Kobe of Japan and Midrex making investment in Pakistan for producing more than one million tons of steel capacity.
Development in SCE 2018	Visit to Santiago, Chile from April 22 nd 2018 to 29 th April 2018 to finalize arrangements for the SCE in May 2018
B2B Meetings Preparations	Various meetings in Santiago with retailers and distributors to extend an invitation for the B2B meetings at the Pakistan Single Country Exhibition in Chile in May 2018.
Business Visas for Pakistani Exporters/Exhibitors	Visit to the Foreign office of Chile and informed them about the incoming group of businessmen for the fair and sought their support for Customs clearance, and visa help.
Visit of HH Skills Sports	Meetings were arranged for the visiting owner of Sialkot based company with sports ball distributors. He generated USD

Company from Pakistan	100,000 sales in one week. Moreover, Cencosud group imported all their footballs from GoldSoni company based in Sialkot, which is a sister concern of HH Skills.
Rosario, Santa Fe district Potential Importer. Mr. Ramon Araya	Meeting of CC with Mr. Ramon Araya He is from Rosario city, he and his partner are interested on going to Pakistan, they want to import bed linen. CC gave them contacts of Faislabad based companies to start business.
Samples	The Embassy received samples of companies which are trying to export to Argentina
Attestations	We provided commercial visas and attestation for Pharmaceuticals Companies.

B. Detailed report on Emitex Fair in Argentina in April 2018 is enclosed below:

Introduction

Emitex, **Simatex** and **Confemaq** are three events carried out simultaneously to present the whole range of textile and garment industry suppliers, from yarn to apparel production in the city of Buenos Aires, Argentina. This year, the fair was held from 10th to 13th April, 2018 at Costa Salguero Exhibition Centre in Buenos Aires. The Pakistani Pavilion was established in the fair by the Pakistani Embassy with the sponsorship of Trade development Authority of Pakistan (TDAP).

This synergic link between the three events enriches each fair and provides an accurate outlook of the proposals and news offered by the market. During the four days, it gathers the most important manufacturers of yarns and fabrics from all-around the world and match them with manufacturers of textile machinery for garments and suppliers and buyers of products and services. The brief introduction of the three fairs is as follows:

Emitex is the International Trade Fair of Suppliers for the Garment Industry and it is the most relevant fair for Pakistani textile manufacturers and suppliers; **Simatex** is the International Trade Fair of Textile Machinery and has little relevance for Pakistani companies unless they are interested in machinery purchases from South America and **Confemaq** is the International Trade Fair of Garment Machinery. All the three events are organized by **Messe Frankfurt Argentina** with the support and patronage of Mundo

Textile magazine. The most outstanding suppliers of the textile and garment industry gather in this event which combines three exhibitions:

Emitex is considered an undisputed referent in terms of supplies for the garment industry in South America since that, one edition after the other, it presents the latest developments in fibres and yarns; woven and knitted fabrics; trims and accessories; services for the apparel industry; digital printing and sublimation of fabrics and software.

Simatex congregates the main manufacturers of technology for showing the new equipment for: spinning; woven fabric, knitted fabric and hosiery; nonwoven; textile finishing; plant operations; testing and measuring; recycling and services for textile industry. It also presents software, dyestuffs and chemicals.

Confemaq gathers the most outstanding equipment manufacturers for: cut and spreading; sewing; screen-printing and digital printing of clothes; embroidery and monogramming; clothes laundry and finishing; ironing and fusing; product ID and clothes labelling, among others. Besides, the range extends to software solutions.

PAKISTAN TEXTILE COMPANIES PARTICIPATION AT EMITEX FAIR

Six Pakistani companies opted to participate in this fair. Four companies were selected to participate this year by TDAP, Faisalabad at this important Fair. The Commercial section organized the entire setting up of Pakistan Pavilion which housed four Pakistani government sponsored companies. However, full support was provided by the Commercial Section to the other two companies from Pakistan who were participating in their individual capacity. The Emerging Pakistan theme and design was provided to the Fair Authorities as per instructions of the Ministry of Commerce. All the stalls in the Pakistani Pavilion have Emerging Pakistan logo. The Commercial Counsellor took care of the visa issues, customs issues and management issues.

It has been observed that the Embassy of Argentina in Pakistan is strict about granting visas to Pakistani businessmen and this affects our trade promotion efforts adversely. They require at least 45 days processing the applications. It is recommended that in future, selected companies must apply for Argentina visa at least two to three months before the start of the event.

Pakistan Pavilion at the Emitex fair

The details of Pakistani companies that participated in the fair are as follows:-

- a. **Sapphire Textile Group**- They deal with all kinds of textiles- they have integrated units and have Spinning, weaving, dyeing and printing facilities. They were able to showcase fabrics as well as Ready to made (RTM) garments. Their stall was visited by many customers from Argentina.

- b. **Kohinoor Group**- They deal with fabric as well as stitched garments RTG (Ready to go and Ready to made garments). They were participating in their individual capacity. They had a big size stall and were represented by four persons including one local agent.
- c. **Fazal Cloth Mills**- They deal with yarn and fabrics and are already supplying grey cloth to some manufacturers in Argentina. They were TDAP sponsored and was represented by only one manager from Pakistan.
- d. **K.B Enterprises**- They deal with home textiles- robes, towels and ward robe items. This company had very interesting products for the Argentina market and was visited by many buyers. Home textile is a very thriving business in Argentina.
- e. **Interloop Textile Group** – They are Socks specialist and one of the biggest socks manufacturers in the world. They are already making exports to Europe and USA. The Commercial Section is introducing their product for supermarkets in Chile and Argentina. The company representative met many visitors, and it remained a very busy stall.
- f. **Adamjee Group**- They deal with Grey Cloth and stitched fabrics. . They had also invited their local agent who remained at their stall during the four days. They were represented by two managers from Pakistan.

B2B Business match making by Commercial Section during Emitex

During the month of March, the Commercial Section was engaged in arranging B2B business meetings for these textile companies so they can profit maximally from this visit to Argentina. The textile buyers of Argentina were contacted and invited to visit the Pakistan Pavilion during the fair in April 2018. The Following companies have been matched to invite at the fair among others. Their contact details are available also in the pictures. Moreover, many of the participant companies in the fair did have the potential of becoming buyers of Pakistani products. Their list has also been provided in the Appendix-1.

- 1) *Lenen Sacs A Man.*
- 2) *Twill Denim*
- 3) *Indulaser S.A*
- 4) *R.F. Texture SRL*
- 5) *ADATEX ADAFYL.*
- 6) *FibralTex*

- 7) *Unitex Taller*
- 8) *Indumentaria Corporative*
- 9) *GLS, Fabrica de Prendas varias*
- 10) *REVERSIVA(www.reversiva.com.ar)*

SUPPORT FROM COMMERCIAL SECTION OF THE EMBASSY OF PAKISTAN, BUENOS AIRES, ARGENTINA

During the four days of the fair, the Commercial Section engaged thoroughly with all the six companies from Pakistan. The samples and exhibition products of Kohinoor Group were detained by the Customs of Argentina but the problem was resolved with the efforts of the commercial Counsellor.

There were two translators hired by the Commercial Section for the Pakistani Pavilion as the main language in Argentina is Spanish, therefore many customers do not speak English. In addition, Pakistan Pavilion was provided tea, coffee, snacks etc by the Commercial Section during the four days for the light refreshment for themselves and their customers.

The Ambassador of Pakistan, H.E Ayaz Muhammad Khan visited the Pakistani Pavilion on the first day of the exhibition and invited all the representatives from the six companies for dinner on the last date of the fair. The exhibitors explained to the Ambassador their visa experiences and also their event experiences during the dinner.

Overall, the event was a success for Pakistani companies. They were able to look into the Argentina textile market, get clues on the local market culture and clothing pattern and made important contacts for future business. They also became familiarized with the working of the Commercial Section and were glad to know that the local staff here can help them with follow-up enquiries in Spanish and can help in closing their business with Argentina companies.

2. Summary of May Activities

A. Trade Promotion Activities

Activity	Follow up action
Meetings with Falabella, Chile, Cencosud and Walmart/Lider Stores in Chile	<ul style="list-style-type: none"><li data-bbox="662 436 1433 533">• In connection with SCE 2018 in Santiago, Chile the Commercial Section contacted the big commercial centers of Chile to invite them to the fair for the B2B meetings
Meeting with Chile Foreign Office	The CC met with the officials of the Foreign Office in Chile to resolve the visa issue problems of the Pakistani exhibitors. He also invited the top officials to attend the Welcome Ceremony at the SCE in Santiago on 27 th May 2018.
Meeting with Governor Ms. Karla Rubilar, Representative of the President of Chile at Santiago	The CC met with Ms. Karla Rubilar and invited her as Chief Guest for the Welcome ceremony at the Pakistan SCE in May 2018.
Meeting with owners of Carpet Brand DTURKIA ALFOMBRAS.	The CC met with the owners of the Carpet brand in Chile and put them in contact with Lahore based companies. The two owners wanted to visit Pakistan in June to meet the Pakistani carpet suppliers. Mr. Murtaza helped them with the visa issues and provided them useful contacts in Pakistan.
Meeting with Mr. Rodrigo Tilleria, an entrepreneur who wants to import Footballs from Pakistan.	The CC met with the businessman Mr. Rodigi Tilleria who contacted the CS for contacts for football suppliers of Pakistan. He wants to make a big investment in procuring sports goods from Pakistan and start his own brand in Chile. The CC invited him to the SCE to establish his contacts with the visiting sports companies.

Meeting with Ms. Bernedetta and Ms Macarena from Santiago, Chile	Mr. Murtaza met with these women entrepreneurs from Santiago, Chile who wants to start their business in the Home Textile Sector and provided them useful contacts in Pakistan. He also arranged samples from them from Pakistan from Faisalabad based companies in the Home textile Sector.
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COMPLETE REPORT ON SINGLE COUNTRY EXHIBITION IN SANTIAGO FROM MAY 2018

The first edition of Single Country Exhibition of Pakistan held between Saturday 26th of May and Tuesday 29th of May at the Estacion Mapocho, a central venue in Santiago, which received approximately 1000 visitor per day. The Exhibition was organized by the Pakistani Embassy in Argentina in cooperation with TDAP and Ministry of Commerce. A total of 62 companies applied to participate in the fair, and 106 visas were issued for the fair participants by the Consulate of Chile in Abu Dhabi. There were 1 to 2 exhibitors per stall, however, only 50 companies actually set up stall at the fair venue. The following companies applied to participate in the fair:-

Welcome Ceremony for dignitaries

The opening ceremony of Business centre and the welcome party for the dignitaries was held on Monday 28th of May in which the Ambassador of Pakistan hosted several Embassies such as:

1. The United States of America
2. Turkey
3. El Salvador
4. India
5. Costa Rica
6. The Philippines
7. Guatemala
8. Thailand
9. Vietnam
10. Honduras
11. Ecuador
12. Belgium

CHIEF GUEST FOR THE WELCOME CEREMONY

The Presidential representative for Santiago, Governor Karla Rubilar was the Chief Guest of the Business centre inauguration and of the welcome ceremony and came in as representative of the Chile government. The event was also attended by the members of Chilean congress such as, MP Leopoldo Perez and former Senator and President of the Foreign Affairs Committee Mr. Jorge Tarud.

Ministry of Foreign Affairs of Chile attended the ceremony through the representatives from DIRECON and DIRAPAC, Ambassador Rodrigo Fernandez (Consular General Director) also attended being our Guest of Honour, who was also extremely helpful in issuing the visas for all participants as well as assist with some cargo and customs issues faced in this first international event organized by the government of Pakistan.

From the business area, the Chilean companies invited and their details are provided in Annexure-2 of this document.

From a total of 250 direct invitations we received at the venue 60 attendees to the welcome cocktail. It is important to note that these were sent on very short notice, a factor we may consider for the next event as ample time must be provided for people to schedule the event in their busy calendars.

The proposed media campaign of 1 month was shortened to 06 days of advertisement due to the fact that the funds arrived a week prior to the event. This is evidently very short and for the next event TDAP must allow to spend funds at least 2 months prior to the event for proper advertising since the advertisers will not print or issue any adverts without advance payment. Especially when the embassy is not present in the host country, the advertisers will not accept any guarantees in lieu of advance payment.

Most of the exhibitors were satisfied as they generated results and sales. A small number did not achieve the expectations due to the cancellation of meetings from the Chilean side. In order to assist these companies who could not conclude business, the Commercial Section arranged subsequent meetings with the help of Chile- GCC Chambers to follow up and assist all the exhibitors with contacts in Chile, according to their line of business so that they can do remote follow ups for their business and attempt to help them conclude business. The B2B meetings continued after the fair with Chilean companies who could not attend the meetings during the fair. As a result some significant contracts were initiated. One surgical company Bonwit Industries establish a contact with Biotech company in Chile. Euro Sports of Pakistan, Ghamza Industries and Pak new Roman Company achieved

contracts for future supplies while Naseem fabrics and Al-Rehman Corporation was contracted for home textile companies in Chile

A total of 11 Pakistan companies from the original list did not show up or participate to the event leaving empty stalls, of which some stalls were replaced by local companies held by Pakistani citizens and authorized by TDAP to use the facility.

Pakistani Companies who did not participate at the final Stage

1. Panorama International
2. Faisal Mustafa Textiles
3. Global Apparel
4. Biker Sports
5. Afro-Pak group of Industries
6. Shee-Jee Trading Company
7. Tata Surgical
8. Laser Sports
9. Phedra Industries
10. Al-Hamza and Talha Enterprizes
11. SiddiqSons

Feedback received from the participants

1. Those participants who were more inclined to have B2B meetings were dissatisfied with the fair venue. They expect to have the next fair at an upper class venue where the top businesses and gentry would come. Such places are available in Santiago Chile such as Hotel W or Hotel Sheraton Convention halls; however the cost of such a venue is three to four times the cost of the venue at Estacion Mapoccho.
2. Those participants who came mainly for retail sales want to hold the next fair in the summer months when lots of people in Chile especially families, housewives and students come out to attend the fairs and the general mood is festive. However, for that kind of retail sales, the most suitable place remains to be Estacion Mopoccho.
3. There should have been more advertisement for the fair and the visas should have been secured much before the event. However, the actual situation is that when participants were asked to provide the visa forms' details and the police character certificates, they made many mistakes in the visa forms and repeatedly asked exemption from the police character certificate, which delayed the visa grant process.

Suggestions for future event

- The single country exhibition should take place each year. The best months for holding the fair are summer months which are from October to April.
- The participants should combine travel to three big economies of Latin America- Peru, Chile, and Argentina as travel distance and cost between these countries is minimal while the travel time and cost from Pakistan to South America is significant. All these countries can offer potential business to Pakistan.
- There is no embassy or commercial section in Chile and Peru. The absence of the Commercial section makes it difficult to maintain relationships with the companies of the host country. It is recommended that at least a Commercial Assistant or TDO be appointed in Chile who can maintain essential liaison with the Chilean businesses.
- Advance booking of the fair venue is essential since the best places and dates are booked in advance by other companies and embassies. The Indian Embassy has already booked the Estacion Mapoccho venue for their event 'Shinning India' for the month of March 2019.
- The Selection Process for the Exhibitors must be completed by TDAP at least 9 months in advance so that visa issues and specific product import permissions can be applied in advance. It takes three months in Chile to get advance clearance for specific products for which Ministry of health approvals are required.
- The Permission to Commercial Counsellor to visit countries of accreditation should be left at the discretion of the head of mission as it takes a lot of time for the permission to come from the Ministry. It happens that the permission arrives near the end of the visa given to the Commercial Counsellor. All the countries issue visa to the Commercial Counsellor for a brief period even on diplomatic passport.

Outcome and achievements

Generally, there were two types of Pakistani companies who attended the SCE 2018 in Chile. One type was interested in retail sales and the other type was interested in B2B meetings and focussed on large orders. The first type was able to sell most of their products to Chilean customers and at the end sold the remaining products to either Pakistani entrepreneurs in Chile or to Chilean retail sector. The Commercial Counsellor helped them to sell their unsold merchandise to Pakistani businessmen in Chile, who otherwise will

have to spend a fortune to import the same products from Pakistan. Thus it was a win-win situation for the both sides.

The second type of companies who were interested in large orders, were able to make important contacts during and after the fair through B2B meetings and through Chileans visiting their stalls. A directory of Pakistani exhibitors was also prepared and sent to all the Chambers of Commerce in Chile and to the Purchase Managers of the big chain stores especially those dealing with home textiles, sports goods, and leather products. Maximum care has been taken to ensure the correct emails and contact information is entered in the directory, which was revised & corrected three times before final printing by taking feedback from TDAP and Exhibitors. It is expected that these exhibitors will start getting emails from these contacts in the near future. In addition, participation in the fair provided the Pakistani businessmen to observe the local business culture, understand the local fashion, experience the social culture of the country, and note the buying norms of the Chilean businessmen. Most Pakistani participants requested the Commercial Counsellor to organize this fair on regular basis each year in Santiago Chile as they found it as an excellent market to do business with. Had it been not the case, they would not have requested to organize the 2nd edition of the SCE in Chile between December-April 2018/2019.

For the second group, the commercial section invited a large number of companies for the B2B meetings. Their list is provided in this report. The Pakistani companies who were interested in B2B meetings got many contacts for future development of trade. The Commercial Counsellor himself accompanied some companies to the B2B meetings even after the fair since some Chilean clients could not come to the exhibition to meet their counterparts due to pre-engagements. The pictures and the business deals made are presented in this report. In short, business leads of USD 10 million were generated in terms of contacts with the Chilean companies in the fields of specialized workers' uniforms, textiles, surgical and sports goods.

3. Summary of June Activities

A. Trade Promotion Activities

Activity	Follow up action
<p>Called old Falabella contact Patricia Donoso, who appeared to have changed companies. I managed to get the Corporate Manager for the Commercial Section of Falabella's e-mail and phone number.</p> <p>New TDO hired at the Embassy.</p>	<p>Contact Mr. Jorge Fuenzalida, Corporate Manager for the Commercial Section of Falabella, get him to agree to meet with Mr. Murtaza in Argentina this week.</p> <p>The new TDO was coached to prepare a speech with key points of discussion for telephonic sales pitch and to obtain meetings for CC with importer companies:</p> <ul style="list-style-type: none"> • Speak on behalf of Commercial Counselor of Embassy of Pakistan (this carries weight that can assure a meeting take place, at the very least). Interloop Company agent from Pakistan travel to Argentina/Chile indicating great extent to which he is willing to do business with South American Companies. • To convey to Argentina Sports companies to pitch Pakistan as a centre of excellence for Sports Goods as evident that FIFA WCP 2018 in Russia is using balls made in Pakistan. Mention Emerging Pakistan, Companies which took part, opportunities, exchange, reciprocity • First World Cup ball; 2014 Brazuca; 2018 Telstar • Home Textiles INTERLOOP, largest sock manufacturer IN THE WORLD; exports to EU. Samples, stock.
<p>Meeting with Bejamín Gaviña for Business Visa Application</p>	<p>Follow-up meeting arranged with Mr. Murtaza for Friday the 13th of July in order to discuss his plans for his trip to Pakistan. BV already Approved. He is making an investment of Rs 20m in Silos bag manufacturing technology in Pakistan to provide storage facilities to the dairy farms. The CC guided him to register his company with SECP in Pakistan and a joint venture possibility with a Pakistani company which is already under process</p>
<p>Meeting with owner of Sports Company</p>	<p>CC met with Mr. Jorge Naser who wants to import motorcycle jackets and Gloves from Pakistan and provided him with contacts in Sialkot.</p>
<p>Meeting with owners of Hockey brand 'FLY STICKS' in Argentina.</p>	<p>The CC met with the owners of the hockey stick brand who wants to import hockey sticks and all the allied sports equipment from Pakistan. The Fly group provided all the specifications and the CC has arranged for their samples from Pakistan.</p>

<p>Multiple E-mail and telephone exchanges with Laboratory FARVET (Perú) due to confusion in relation to number of signatures on a number of occasions. Also in order to coordinate the logistics of the pick-up of the attestations which are ready.</p>	<p>Continue contact and respond to all inquiries, high priority being the fastest and most efficient resolution possible. They are satisfied with the validity of the attestations; we are now awaiting confirmation of payment in order to continue the proceedings.</p>
<p>Meeting with Mrs. Carina Fernandez from Carrefour, a contact with influence in the cutlery and home textiles business..</p>	<p>Mr. Murtaza met with Ms. Carina of Carrefour to provide her samples of cutlery received from Sialkot based company and also discussed the possibility of procuring Home textiles from Karachi based companies.</p>
<p>Meeting with Mr. Sebastián Hayet and his wife Carolina, applying for a business visa with the purpose of carrying out trials and providing advice on the implementation of the products of the company he works for (Unitán S.A.I.C.A.) as a Tanning Technician, by invitation of ORIENT IMPEX (PVT) LTD.</p>	<p>Invitation by a leather company in Pakistan. Mr. Murtaza approved the visa.</p>
<p>Biomed Company and FDI in Pakistan</p>	<p>Mr. Murtaza held a meeting with the Commercial manager of Biomed company based in Argentina and convinced them of establishing their regional quarters in Pakistan. They make and sell cancer medicine and are selling to SEARLE Company in Pakistan. Successful networking will yield positive results in the FDI initiative taken by the Commercial Counsellor. He pitched them BAGO-FerozeSons model for Biomed to establish Joint Venture in Pakistan.</p>

1. Networking with the Chambers of Commerce in Santiago to enlist their help for the incoming 22 member delegation from Pakistan to Chile, Peru and Argentina. The GCC and Chile Chamber of Commerce provided a favorable response and their CEO Mr. Elias Hasbun promised to extend his support for B2B meetings. They have 200 Chilean companies on their panel who they already network to attract business in Gulf and Chile.
2. Networking with the Argentina Chamber of Commerce for Texpo in Pakistan in 2018. The Chamber directors Ms. Laura and Mr. Martin Lococo have been briefed by the CC on the opportunities of TEXPO and requested their help to

arrange meetings with the textile importers of Argentina so that a delegation can be taken to Pakistan.

- 3. The Commercial Counsellor visited Junin province to hold discussions with the Agroviet Company who is interested in making FDI in Pakistan in Silo bags and food storage technology. He also met SALAR Company in San Nicolas, who is also interested in the same project. The Visit dates were from 25th to 29th June 2018.

