

# U.S. DEPARTMENT OF STATE

Office of the Spokesperson

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## FACT SHEET

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### The United States and Pakistan—Strong and Enduring Economic Cooperation

U.S. Secretary of Commerce Penny Pritzker and Pakistan Prime Minister Nawaz Sharif met in Islamabad on March 9, 2015, to launch the U.S.-Pakistan Economic Partnership Week. The week includes the third U.S.-Pakistan Business Opportunities Conference for U.S. and Pakistani businesses, as well as government-to-government trade talks. As a Cabinet Secretary and America's principal commercial diplomat, Secretary Pritzker's visit underscored the long-term economic cooperation between the United States and Pakistan under the U.S.-Pakistan Strategic Dialogue, including a commitment to expand bilateral trade and investment, and highlighted the following areas of ongoing activity:

**Bilateral Trade and Investment:** Annual trade in goods between the United States and Pakistan is valued at more than \$5 billion, and the United States is Pakistan's largest export market and a significant source of foreign direct investment. The third U.S.-Pakistan Business Opportunities Conference, the first held in Pakistan, will help Pakistani and American companies and investors identify new business opportunities together. The United States and Pakistan are implementing a Joint Action Plan to expand trade and investment over five years which was finalized at the May 2014 Trade and Investment Framework Agreement (TIFA) Council talks.

**Bilateral Trade in Specific Sectors:** In 2014, the U.S. Department of Agriculture certified three new facilities that will help enable the commercially successful import of Pakistani mangoes to the United States. In early 2015, Pakistan reinstated the import of live cattle from the United States.

**U.S.-Pakistan Partnership for Access to Credit:** During U.S.-Pakistan Economic Partnership Week, USAID launched partnerships with four private sector banks in Pakistan to improve access to finance and capital for Pakistani micro, small, and medium enterprises.

**Trade Missions:** Both countries organized an October 2014 trade delegation to Silicon Valley for Pakistani companies to forge relationships with top companies in the U.S. information and communication technology industry. This visit and a 2013 trade delegation to Houston in the oil and gas sector have produced at least \$22 million in new deals to date. The Department of Commerce is organizing other trade delegations in food processing and packaging, supply chain management, and franchising. The U.S. Commercial Service in Pakistan has a robust program of trade promotion, outreach, in-country finance seminars and reverse trade missions, with focus

areas in energy, medical equipment, and information technology.

**Pakistan Private Investment Initiative (PPII):** In June 2013 the United States launched the Pakistan Private Investment Initiative (PPII), a set of three investment funds which are matching U.S. funding one-to-one with private equity capital to make over \$150 million available for small businesses in Pakistan. Initial investment funds will achieve financial close and begin investments in 2015.

**Entrepreneurship:** The United States works with Pakistani entrepreneurs to provide training, mentorship, access to capital, and networking with Diaspora community potential investors and counterparts in the United States. These initiatives are known as “Khushali Ka Safar” (Journey to Prosperity). In early 2015, Google connected with Samsung, the Pakistan Software Houses Association, and the U.S. Consulate in Karachi to launch “NEST I/O,” a technology incubator linking young Pakistani entrepreneurs with their counterparts at 28 tech hubs supported by Google around the world. The U.S. Embassy and Indus Entrepreneurs also launched Pakistan’s second annual Start-Up Cup competition, a seven-month mentoring program that trains aspiring Pakistani entrepreneurs to develop business models, find customers, and bring their products to market. A Pakistani company was the overall winner of the global Start-Up Cup competition in 2014.

**Women’s Economic Advancement:** In any society, sustainable economic growth requires the full participation of women. In May 2014, the United States and Pakistan signed a Memorandum of Understanding on joint efforts to expand the participation of women in Pakistan’s economy, including through women’s entrepreneurship. As part of that commitment, the United States launched the Women’s Entrepreneurial Center of Resources, Education, Access, and Training for Economic Empowerment (WECREATE) in February 2015. Located in Islamabad, the WECREATE center is the first in a series of such centers worldwide and provides a safe, stable environment where women can access resources vital to starting and growing their businesses. The center is affiliated with the U.S.-Pakistan Women’s Council, a partnership established in 2012 between the U.S. Department of State and American University, in collaboration with Pakistani partners, to promote women’s economic advancement. The Council brings together public and private sector partners in both countries to facilitate employment, entrepreneurship, and education opportunities in Pakistan.

**Energy:** The United States and Pakistan have a strong partnership in the energy sector, recognizing the central role a stable supply of energy plays in accelerating Pakistan’s economic growth. To date, U.S. assistance has added approximately 1,500 megawatts to Pakistan’s national grid—enough electricity for roughly 16 million Pakistanis. In addition, the Overseas Private Investment Corporation (OPIC) is facilitating private sector investment, via loans of approximately \$400 million, in up to five wind projects in Pakistan, which will provide up to 250 megawatts of clean, renewable, grid-connected power. A U.S. company, Houston-based Excelerate Energy in partnership with Pakistan-based Engro, is facilitating Pakistan’s construction of Pakistan’s first LNG import terminal, on-track for completion at the end March 2015.

**Agriculture:** Recognizing its importance to economic growth, the United States is helping to boost Pakistan's agricultural productivity, particularly through improved irrigation, technology, and best practices. The United States has financed irrigation projects for more than 630,000 acres of farmland in Pakistan, and has the goal of reaching one million irrigated acres by 2016. The United States also helps Pakistani agribusinesses expand their sales and operations, with the goal of linking thousands of local producers nationwide to major commercial firms by the end of 2016. The U.S. Department of Agriculture is working with Pakistan to vaccinate more than 500,000 cattle, buffalo, and yaks; implement livestock disease surveillance systems; and develop a strain of cotton resistant to the cotton leaf curl virus, which could devastate crops in Pakistan and globally if not addressed.

**U.S. Department of Commerce Technical Assistance Programs:** Through the International Trade Administration (ITA) and Commercial Law Development Program (CLDP), the Department of Commerce cooperates with Pakistan by providing technical assistance in intellectual property rights, commercial law education, and oil and gas legal and regulatory matters. The Department of Commerce is also providing technical assistance to Pakistan on government procurement and trade facilitation.

**Regional Trade:** Both the United States and Pakistan recognize the importance of regional economic integration to sustained economic growth. To facilitate Pakistan's efforts, the United States has funded the construction and rehabilitation of approximately 1,000 kilometers of roads, including the four major trade routes between Pakistan and Afghanistan. The United States welcomes Afghanistan and Pakistan's 2014 agreement on transit pricing for the Central Asia South Asia electricity transmission project known as CASA-1000, and will provide funding to support the project. In 2014, the United States funded a Pakistan-hosted Central Asian Business Opportunities Conference (CABOC) which drew over 480 public and private sector participants to foster regional trade and investment.

**Science and Technology Cooperation:** The United States and Pakistan will launch the Education, Science, and Technology Working Group under the Strategic Dialogue in 2015. Through the U.S.-Pakistan Science and Technology Cooperation Agreement, first signed in 2003, the United States and Pakistan have co-financed over 83 different research projects between U.S. and Pakistani researchers, worth approximately \$30 million, in sectors such as health, agriculture, engineering, environment, energy, and water.

**University Partnerships:** The United States and Pakistan have established over 20 U.S.-Pakistan university partnerships to foster collaboration, including on curriculum reform and joint research, and expand faculty capacity. Several of the partnerships focus on business administration and entrepreneurship. In 2015, the United States will launch two more \$1 million university partnerships and four Centers for Advanced Studies in agriculture and food security, water management, and energy. The Centers will pair U.S. and Pakistani universities to promote cutting edge research in sectors key to a strong economy.

**Higher Education Collaboration and the Fulbright Program:** The United States sponsors a wide range of exchange programs with Pakistan, particularly in higher education including business and entrepreneurship. The U.S. exchange program alumni network in Pakistan now numbers over 15,000, and each year more than 1,300 Pakistani exchange participants come to the United States – fostering concrete collaboration and understanding on both sides. Nearly 5,000 Pakistanis studied on U.S. college and university campuses during the 2013-2014 academic year. Since 2009, the United States has also provided scholarships to more than 12,000 talented, but financially underresourced Pakistani students to study at universities within Pakistan. The United States is investing more in the Fulbright Program in Pakistan than anywhere else in the world. Since its inception in 1950, the Fulbright Program has supported over 3,000 Pakistanis and over 800 Americans to study and conduct research. Since 2005, over 300 Pakistani students have traveled to the United States to study fields related to business and entrepreneurship through our Fulbright and Community College Initiative programs.