

MD SPEECH ON BPO CONFERENCE

Bismillahir Rahman ar-rahim

Honorable Chief Guest, Guest of Honor, Delegates, Distinguished Guests, Ladies and Gentlemen,

As' salam Alaikum,

It is indeed my pleasure to address this distinguished audience. It is certainly a pleasure to have with us the most prominent speakers and experts on call centers and BPO organizations not only from Pakistan, but also from India, USA, UK, Canada and Hong Kong. I am pleased that the event is also being web cast over the Internet, for a wider audience.

Ladies and Gentlemen

The objective of this conference is to provide an opportunity to our companies and local experts to interact with their counterparts & leaders of the international BPO industry, exchange dialogue, share views and promote collaboration in the BPO sector.

Business process outsourcing is an emerging area that gives numerous cost advantages over the conventional in-house development. A vast majority of the international companies are outsourcing their business

processes to take advantage of the skilled workforce and cost effectiveness of other countries.

If we talk about the growth potential and the opportunities in BPO, Gartner Forecasts 9.5% increase in 2008 in IT Services Spending to \$819 billion. The major share of this spending has been for core outsourcing of IT and process management, making up 42% of the overall IT services market. Gartner analysts expect dollars to continue to flow into services categories, such as BPO for short-term cost-control measures at organizations trying to tighten their belts.

Seeing this international trend, many countries with lower cost operations and skilled workforce are taking full benefits of the opportunities arising in this promising sector. This sector has also experienced tremendous growth in Pakistan over the last few years, with numerous new firms capitalizing on opportunities such as call centers operations and providing back-office services to foreign-based companies.

Ladies & gentlemen,

Pakistan offers a unique set of incentives and opportunities to the international outsourcing community as compared to other outsourcing destinations 100% equity ownership, 100% repatriation of capital and dividend, income tax exemption till 2016 are just few to highlight. Pakistan has a large talent pool of English speaking cost competitive

and skilled workforce, large number of internationally certified companies and reliable telecom infrastructure to service the outsourcing community in a very effective manner. Time zone difference of Pakistan is also an advantage to major global offshore setups to outsource their operations to Pakistan. Gartner recently ranked Pakistan amongst the top 30 offshore outsourcing destinations of the worlds. The World Bank has also placed Pakistan amongst the favorable countries in its report 'Doing Business in Pakistan'.

Call centers and business process outsourcing have always been industry sub-sectors on which PSEB had focused its energies. I am looking at the promising future of Call Centers and BPO in Pakistan in the years to come. PSEB has taken a series of programs and initiatives in the strategically focused thrust areas for the growth of this most promising sector including infrastructure development (reliable telecom infrastructure) , human capital development, company capability development, international marketing and image building, promotion of innovation and technologies. PSEB has always been very proactive in working with the local industry, international organizations and foreign experts on measures and policies that will make growth of BPO sector. All these have resulted in knowledge and technology transfer and promotion of BPO sector. This has happened in spite of the negative perceptions about Pakistan in the international media. We have been fortunate in seeing a substantial growth in this sector, especially in the domestic market, which is the key towards the path of international business handling.

Ladies & gentlemen,

While human capital is important in any industry, in the IT sector it is a critical factor. One of PSEB's prime focuses is the growth of skilled human resource pool. In order to facilitate the IT Industry, PSEB has devised an open-door policy for the provision of financial subsidies, technical support and partnerships, not only for the IT companies, but also for educational institutions.

PSEB works with the Higher Education Commission (HEC) to provide the influx of quality graduates into the industry. PSEB also facilitates these graduates as well as the IT companies by acting as a liaison point for the provision of quality graduates that match the companies' requirements. PSEB provides ongoing training and industry-standard certifications to professionals, and undertakes research to benchmark IT professionals and graduates in the country.

Similarly under our Apprenticeship program, we offer Rs. 15,000/ per month per employee to qualified companies towards building trained human resources.

Ladies and Gentlemen

Pakistan generally faces a negative image perception when major international business projects are being developed. Therefore, we undertake efforts for building positive image of the country and marketing Pakistan potential to the international business providers.

As we all know that India is poised to become a leader in getting major market share in KPO market, and is becoming expensive day by day. India has imposed 36% corporate tax on captive BPO and Call Center operations which provide international companies an opportunity to consider Pakistan as an alternate channel / destination.

We all know that there are number of verticals in which Pakistan has an edge on its regional competitors that include Accounting, Payroll, Insurance, Banking, Healthcare, Legal, Telemarketing and Customer Support. All these provide a very strong opportunity for Pakistan to become a key player in the international market.

Ladies & gentlemen,

I and my team are all open for new suggestions, proposals and recommendations from Pakistan IT industry and international outsourcing community to promote BPO in Pakistan to its maximum potential.

I graciously appreciate your presence and efforts made by Ecommerce Gateway Team to make this conference a great success.

Thank you.