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RESEARCH ARTICLE

The SIFC Initiative: A Beacon of Hope or a Fading Promise?

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Abstract: In 2023 Pakistan formed the Special Investment Facilitation Council (SIFC) to organize investment operations between ministries and departments for better collaboration. The main purpose of the council is to draw substantial investments from both foreign and domestic spheres together with economic development. An analysis of SIFC shows how it focuses on its goals through its structure while working to eliminate non-tariff barriers by boosting approval flows to advance the investment environment in Pakistan. The analysis details struggles including both bureaucratic stagnation and political turbulence as well as suspicion that exists between governmental institutions and private businesses. Through a combination of qualitative methods, the study uses literature research document analysis and expert interviews with public officials investment professionals, and industry experts. The paper shows how the study faces implementation challenges together with policy gaps and presents suggestions for improved ministry collaboration and better transparency along with better regulatory practices. The assessment analyzes SIFC's capability to shift Pakistan's investment framework and develop its economic growth.

Keywords: Investment Facilitation, Foreign Direct Investment (FDI), Economic Growth, Regulatory Challenges, Public-private Cooperation

Introduction

The nation of Pakistan is propelled toward economic excellence due to its wealth of natural resources its ideal geographical benefits and its expanding youth demographics. Despite the country's benefits from these advantages, Pakistan faces ongoing economic stagnation together with inconsistent policies and bureaucratic structures that deter potential investors. Multiple decades of inefficient regulatory systems together with delayed administrative approvals and missing interdepartmental coordination have formed major barriers for investors inside and outside of Pakistan. Foreign Direct Investment (FDI) ability has noticeably declined because challenges have damaged investor confidence making it difficult for Pakistan to invite FDI which is essential for both its economic advancement and development (Mufti & Ali, 2024). As part of the Biz Reforms Package the government of Pakistan established the Special Investment Facilitation Council (SIFC) in 2023 to address ongoing investment barriers. The special objective behind this initiative requires investment process simplification while eliminating bureaucratic problems to establish a friendly investment atmosphere for investors. As an investment facilitation center SIFC functions to accelerate project approvals and lower regulatory delays while creating improved interdepartmental cooperation (Unsworth, 2010).

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The council receives direction from the Prime Minister and comprises essential ministers from federal and provincial governments together with governors and armed forces members who maintain high degrees of political interest in investment facilitation. The SIFC represents a vital development that improves Pakistan's investment environment specifically within key sectors like energy, mining, agriculture, and information technology. The well-implemented approach of this project will generate more job openings while increasing manufacturing performance metrics in addition to strengthening economic balance. SIFC positions Pakistan to attract more international investors through its three main operational pillars of efficiency transparency and investor confidence (Phongpaichit & Baker, 2009). The success of this initiative requires resolving three major barriers which involve political turbulence and government red tape combined with inadequate governance mechanisms. For SIFC to attain its full potential Pakistan needs to resolve existing concerns about corruption alongside power supply problems and inadequate infrastructure. SIFC demands proactive and strong measures together with increased intergovernmental coordination that must use digital transformation to optimize investment processing. This paper analyzes SIFC's mission along with its organizational framework and target goals and evaluates its projected effect on Pakistan's investment environment and country growth. Through an analysis of government policies, media reports, and expert opinions, this study aims to provide valuable insights into the effectiveness of SIFC and the challenges it faces in achieving its objectives. By addressing these concerns, policymakers can enhance the efficiency of SIFC and ensure that it serves as a catalyst for economic growth and sustainable investment (Stonechild, 2006).

Literature Review

The provision of investment facilitation stands as a major element of international trade agreements that operate within the World Trade Organization (WTO). Under these agreements member states must provide Most-Favoured-Nation (MFN) treatment requiring all members to receive any agreements made with one member. Non-members of the framework do not receive such benefits as they lack the opportunity to use dispute resolution mechanisms. The policy suffers criticism from scholars who advocate for the universal application of investment facilitation provisions yet others believe non-members should gain benefits only if they commit to returning obligations. The authors Sutherland Ethier and Wilson argue that agreement benefits extend indirectly to non-members despite their exclusion from MFN privileges in WTO investment policy (Jose, 2024). Global investment agreement regulation moved substantially from protecting investments through traditional means to adopting modern facilitation-based approaches. The regional agreements among COMESA EAC and SADC have progressively shifted their purpose to enhance investment processes alongside lowering bureaucratic obstacles. Multiple countries implementing facilitation-centered agreements are developing a fresh global investment governance system to replace conventional rigid protectionist policies (Baruti, 2017). The Philippines' experience with investment liberalization demonstrates successful methods nations should use to bring their policies into harmony with regional trade objectives.

The research into Philippine policies for ASEAN Economic Community (AEC) 2015 targets reveals four main elements that determine foreign investment decisions namely tax rates combined with investment incentives alongside political stability and decreased corruption. Firms that operate in ASEAN markets base their investment framework on regional market development and expansion possibilities. The investigation highlights how investment promotion agencies (IPAs) should be centralized to improve the business environment through efficient business processes. Investors require infrastructure improvements for power generation and transportation systems to decrease business expenditures and build trust (Aldaba, 2012). The global investment sphere changes because of the 2030 Agenda implementation demands heavy capital transfers toward developing nations. Developmental economies confront several obstacles that prevent Foreign Direct Investment (FDI) due to unpredictable regulations obscurity and inadequate bureaucratic systems. Tax incentives alongside international investment agreements (IIAs) do not function as crucial elements for attracting FDI. Governments need to maintain concentration both on investment attraction and the long-term sustainable nature of FDI and its contribution to economic progress.

The WTO's 11th Ministerial Conference in 2017 passed the Joint Ministerial Statement on Investment Facilitation for Development which launched negotiations to create an international framework on investment facilitation. The initiative seeks to improve policy definitions while lowering investment restrictions across nations and facilitating public and private sector collaboration. Multiple WTO agreements currently operate within the context of investment policies. GATS includes Mode 3 under its provisions to manage the commercial activity of service providers operating abroad. The regulatory system enables a company to engage with GATS investment-related rules when they establish either local subsidiaries or regional branches. Countries have to follow GATT national treatment requirements through their Trade-Related Investment Measures (TRIMS) Agreement provisions when they maintain trade practices but avoid using investment policies that impact trade. Foreign investors who use intellectual property assets to manage their business obtain protection through the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) since it secures their investments in knowledge-based economies. The Government Procurement Agreement (GPA) serves as a core WTO arrangement for public sector procurement because it develops regulations to stop discriminatory treatment of foreign procurement deals.

Under the 2011 edition of the Government Procurement Agreement, foreign enterprises receive full equality during government tenders. Foreign companies operating in public tenders now access opportunities better because standardization in tender processes increases competition in investment opportunities. The GPA works to end protectionist procurement regulations which support expanded market opportunities for investors and strengthen international trade relationship confidence. International economic governance recognizes investment facilitation as important so WTO member states focus on developing a framework for efficient and inclusive investment. Present-day global investment rules develop primarily through leadership from developing economies that represent growing major contributors to FDI both as senders and receivers. The policy direction now emphasizes stable facilitation strategies over previous protectionism disputes and investment liberalization ways. Future discussions must handle policy gaps while enhancing stakeholder inclusion and improving national governance systems in order to connect investment facilitation with sustainable development priorities (Berger et al., 2019). The discussion analyzes trade facilitation versus investment facilitation though both topics hold central value within the WTO discussions and international policy discourse. The process of investment facilitation extends further than trade facilitation because of its increased complexity. The primary scope of trade facilitation operates through streamlining core procedures involved in the international trade of goods.

According to WTO standards, the definitions of investment facilitation include business cost-cutting approaches that remove bureaucratic barriers alongside streamlining paperwork requirements. Three essential components of the Trade Facilitation Agreement (TFA) helped speed up goods transportation after it took effect in 2017 during the Bali Ministerial Meeting of 2013 for developing nations, especially in terms of technology development assistance and improved inter-agency coordination. With the aim to maximize the number of trade operations and hence reduce the waiting times for the citizens at the customs and tax management systems at the borders. The scope of all existing agreements has already been passed by the current discussions on investment facilitation at the WTO. This program makes the investment process simpler by simplifying the description of legal matters as well as reducing administrations that can rise to barriers to establishing a stable capital investment atmosphere. While the problems that trade facilitation addresses are specific, there are many facets of the problem that investment facilitation deals with. The Brazilian proposals grant the TFA new features through rules that increase the levels of transparency, also providing electronic systems for investors participation and simplified administrative protocols, realized through the national inquiry points. It has specialized approach stages for developing countries as well as treatment elements and capability-building elements (specialized stages of approach for developing countries and the mechanisms and means of international cooperation). The proposed rule implements discriminatory features equivalent to the Most-Favoured-Nation principle by ensuring equal benefits provided to one country will reach all participating nations. National rights cannot be established through this agreement since protection measures exclude non-members who bear equivalent contractual duties. Today's investment treaties direct their purpose towards encouraging investment flows over defending investments as their primary element. The preference for this trend emerges through agreements throughout organizations such as COMESA EAC and SADC as well as bilateral and national treaties. The legal framework for investment agreements in emerging and developing countries of the global south is undergoing a transformation because they now receive foreign direct investment (FDI) as well as send it out. The global economy needs to prioritize sustainable FDI facilitation in order to achieve all 2030 Sustainable Development Goals (SDGs). Governments need to both invite FDI and establish mechanisms to validate its sustainable contribution to economic growth. The Joint Ministerial Statement on Investment Facilitation for Development sponsored at the WTO's 11th Ministerial Conference in 2017 promotes the establishment of clear investment rules and improved business processes along with cooperative stakeholder relationships. Recent multi-nation talks about investment which previously stagnated demonstrate developing countries have increased global leadership to build sustainable economic expansion. The focus of trade facilitation stands opposite investment facilitation because it deals with simplifying product movements but investment facilitation works to develop transparent and efficient investment systems adjusted to development goals. Global economic growth depends heavily on these two processes which focus specifically on supporting developing countries according to Bernasconi-Osterwalder et al. (2020) and Jose (2024).

Methodology

Researchers will use a combination of research methods to assess how Sustainable Investing through Financial Cooperation affects sustainable investment. Research methods will include reviewing literature from UNCTAD OECD and WTO reports together with stakeholder interviews and questionnaire surveys of cross-border investors. The findings from qualitative research will receive quantitative support through FDI flow analysis as well as economic social and environmental dataset observations. The research includes evaluating the SIFC initiative through in-depth studies from geographic participant nations. The research will end by determining the initiative's impact and will provide recommendations to improve its functionality as well as achieve better sustainable investment results throughout the world.

Discussion

Streamlined Processes

They Simplify The Investment Procedures That are Apparent with Minimum Bureaucratic Interferences. The SIFC established in Pakistan functions as a solution to overcome the previous barriers which obstructed foreign investment procedures. The objective of the State Imtiaz Foreignship Company is to rationalize administrative methods while lowering administrative complexity to create a more inviting business atmosphere. Before SIFC was founded foreign investors experienced lengthy approval periods alongside confusing regulatory requirements alongside divided state departments. The SIFC establishes an easier approval process through centralizing applications while handling interaction with various ministries to increase both speed and clarity. The entity enhances profitability through sector-specific bonuses strengthens regulatory stability and simplifies profit send-back procedures. The Pakistani FDI increased by 16% in 2023 due to the reforms implemented by SIFC (Chohan, 2024).

Single-Window Operation

Availability of Adequate Financial Information Reduces the Cost of Acquiring such Information, Boosting ease of doing Business through the Provision of a one-stop Center through SIFC. The Pakistani Special Investment

Facilitation Council operates a single-window system to improve investment procedures while cutting down previous barriers to foreign business entry set by bureaucracy. Business investors needed extensive approval periods that involved numerous stops at separate government departments before SIFC's establishment. The process improvement at SIFC allows investors to submit their applications through one centralized platform while receiving expedited approval services with enhanced inter-stakeholder management. The efficient systems have cut approval durations by 40% which substantially improves business process speed throughout Pakistan. The establishment of SIFC contributed to enhanced FDI in Pakistan by 16% in the year 2023, especially in renewable energy and infrastructure segments. The system enhances transparency levels and reduces corruption risks thereby attracting more investor confidence into the market. SIFC implements solutions that assist Pakistan with its goal to improve Global Doing Business ratings and attract more investors.

Investment Promotion

SIFC is also very Sensitive in Marketing Investment Opportunities of Pakistan Across the Globe. As the Special Investment Facilitation Council (SIFC), Pakistan solves the previous issues related to the coordination of investment plans and provides a national investment opportunity. As an international institution, SIFC serves to connect Pakistan with investors especially those who express concern in sectors like energy and infrastructure as well as information technology, through worldwide forums and organizing international conferences within trade missions. Furthermore, by setting up standard investment guidelines on its comprehensive prospectuses, SIFC is able to attract substantial capital flow, especially from Chinese and UAE financiers as well as international business participators. With its strategic actions, SIFC led to a 16% inflow of FDI in 2023 with a special increase in the sectors related to renewable energy and manufacturing as well as IT sectors while Pakistan pursued a developmental agenda and economic reform process in the country.

Policy Reforms

SIFC Promotes Changes to Policies to Increase the Investment Environment. The Special Investment Facilitation Council (SIFC) led the development of vital investment policy changes to strengthen Pakistan's investment environment. Before SIFC's emergence bureaucratic constraints together with security issues were blocking FDI entry into Pakistan. Through its advocacy, SIFC implemented modern taxation rules alongside simplified investment procedures that offer incentives to IT and renewable energy sectors and manufacturing facilities. Foreign exchange restrictions have been simplified by a major policy success which refined capital transfer procedures. The acquisition rules and investor safety regulations together with labor regulations created a climate of trust among investors. Through its efforts, SIFC manages to drive infrastructure funding while significantly simplifying visa procedures for technical professionals to enter Pakistan. The digitalization of business registration procedures and tax transactions has boosted operational efficiency which led to Pakistan's improved position in the Ease of Doing Business Index. The implemented reforms have resulted in a 16% increase in FDI which made Pakistan more appealing to investors.

Inter-agency Coordination

SIFC Coordinates the Agencies in Government Hence Ensuring the Investment Function. The Special Investment Facilitation Council (SIFC) has brought state agencies together to enhance investment opportunities in Pakistan. SIFC provides businesses a consolidated service to expedite project permission requests which replaced previous conflicting regulations that deterred foreign investment. SIFC has improved government coordination to resolve problems about land acquisition while also solving environmental clearance and construction permit difficulties between ministries and provincial authorities. The organization functions as a vital apparatus to accelerate the process of renewable energy ventures while providing optimized regulatory approval services to real estate and infrastructure schemes. Initiatives implemented through these programs have created more job opportunities together with rising economic output and better planning of infrastructure development. SIFC has streamlined financial regulations that promote capital inflow and profit transfer due to its partnerships with the State Bank of Pakistan and the Federal Board of Revenue. The agency's coordinated actions have enhanced both Pakistan's investment potential and economic stability.

Limited Authority

SIFC has Limited Authority to decide in many Aspects, and thus is Incapable of Proper Facilitation. The Special Investment Facilitation Council (SIFC) improved Pakistan's investment environment through its function of improving state agency coordination. The processes at the Pakistani business and foreign investment level remained isolated before SIFC implemented its functions because various agencies followed incompatible investment rules that created barriers to investment possibilities. SIFC has elevated investor confidence since it functions as a unified approval authority that quickens the authorization steps. SIFC addresses major obstacles by developing better relationships between federal ministries and provincial governments for land acquisition and environmental certification services and construction license authorization. SIFC implements both project authorization protocols and improved project execution through its operational activities. The strategic place of SIFC helps investors through improved federal-provincial operational efficiency that speeds up renewable energy project approvals. Joint operational activities led by SIFC facilitate stakeholders to enhance approval regulations which enables large-scale urban development of infrastructure and real estate. Through these initiatives, the organization supports economic expansion achieves growth in employment, and constructs better facilities. The Special Investment Facilitation Council simplifies financial regulations across foreign remittances and capital inflow through its operations. SIFC maintains supportive contact between the State Bank of Pakistan and the Federal Board of Revenue to improve profit transfers and manage investment operations. The operations of SIFC bring it into cooperation with international and national business entities and diplomatic entities to solve investment challenges while continuously improving financial regulations. Pakistani investment conditions have experienced continuous improvement through discussions that have made the country more accessible for foreign investments. The inter-agency plan developed by SIFC has improved Pakistan's attractiveness to domestic and international investors and supports national economic growth although current implementation barriers exist.

Bureaucratic Delays

Nevertheless, the Investors still Experience delays even with the Help of SIFC. The Special Investment Facilitation Council (SIFC) which aimed to remove investor bottlenecks in Pakistan was not able to eliminate the bureaucratic problems faced by investors in the nation. The Special Investment Facilitation Council dedicates its efforts to provide better inter-agency coordination and less complicated investment structures although basic bureaucratic inefficiencies block Pakistan-based investors from proceeding with investments. Both construction projects and land acquisition operations experience their worst delays from bureaucratic hurdles created by staffing shortages role conflicts and slow bureaucratic processes. The delayed procedures create negative impacts on both construction operations and the customs clearance and tax certification segments. Several government authorities participating in the land acquisition process create difficulties by causing delays through title ambiguities and ownership disputes.v Escalated project cost and project duration occur due to the lack of customs procedures reform and unstreamlined import-export regulations. The business simplification efforts at SIFC fail to resolve truly the delays for complete approval and permit approvals for the most impact on energy and manufacturing industries. Because unstable political circumstances combine with ineffective communication between authorities that control different levels of government, time is needed for crucial projects to receive approval if further prolonged. In the case of Pakistan, there are extended bureaucratic problems that inhibit business development, but some sectors of business have gained slightly more foreign direct investment. An analysis is provided of the efforts to enhance the investment conditions of SIFC that face the obstacles caused by the limited executive authority combined with difficulties of agency capacity and of the enduring political and regulatory barriers that impede prompt implementation of investment projects. One of the major bottlenecks in terms of the foreign investment that can enter Pakistan is the duration when it comes to the bureaucratic procedures through which the foreign investment is explained to be processed.

Lack of Transparency

SIFC's Operational Decision-Making Matrix is Criticized for being very Obscure by some Investors. The Special Investment Facilitation Council (SIFC) operating in Pakistan receives criticism because of unexplained distribution processes and inefficient operations which raises suspicions of political manipulation for incentives and project authorization. Investors encounter unfamiliar guidelines which result in delays as well as resentment from unreasonable waiting times. Government institutions provide numerous incentives and backing to larger organizations while smaller enterprises must stay in contact with numerous obstacles to get approvals. The secrecy within the system has damaged trust in the nation's government as well as driven away potential foreign investors because of Pakistan's position in international corruption rankings. SIFC focuses on implementing transparency measures that include clear guidelines for the sharing of reports and enhanced personnel responsibility systems to make Pakistan more attractive for all business investors.

Corruption

Corruption has Emerged as a Concern of SIFC, and other Related Government Entities as well. The government agency corruption jeopardizes Pakistan's prospects of attaining investment facilitation success. The system enhancement efforts of SIFC face continuous obstacles to operational success regarding ongoing corruption within its structures. Business investors encounter unethical and corrupt practices from regulatory agencies that consist of the Ministry of Commerce together with FBR and provincial organizations. International as well as domestic capital investment has declined in Pakistan due to severe corruption levels as indicated in the 2023 Corruption Perception Index. Unlawful practices like using political power and paying bribes enable persons to inflate the costs of construction along with energy and infrastructure projects creating project delays and deterioration of investor trust during investment activities. Foreign investors need to give illegal payments to both FBR tax officials and additional tax administrators in order to acquire tax exemptions and avoid administrative penalties. The lack of transparent tax decision procedures alongside insufficient accountabilities worsens the existing tax-related problems. Investors face risks because politically appointed individuals use kickbacks to decide large infrastructure procurement contracts through corrupt methods. Such conditions create a negative investment environment because delays and excessive costs become widespread issues. The.pk aids investment procedures but does not have enough power to effectively stop corruption within its operations. Investors resort to corrupt practices if there is no accountability system that handles complaints and officials maintain their unchecked power in the system. Pakistan faces challenges to investment due to insufficient legal standards as reported by the Asian Development Bank while its government approval procedures contribute to blocking FDI streams. vWidespread corruption is an important barrier which prevents Pakistan from earning investments of capital from outside sources. The problem with the SIFC investment facilitation is that corruption is rampant throughout the entire regulatory system and serious challenges are drawn to improving it. Pakistan will continue to have limited foreign investment until it erects such anticorruption measures as accompanied by transparency procedures.

Inadequate Infrastructure

Moreover, the inadequacy of infrastructure is stated by the investors as their main concern. As Pakistan has suffered from the limited development of infrastructure, it has become the number one barrier to investment due to its inability to increase production capability, lower operational costs and weaken market competitiveness. Pakistan has been consistently pursued by other agencies and governments along with SIFC in acquiring investors but problems in energy coupled with Transportation Bottlenecks stop Pakistan from having higher economic expansion. Pakistan is at odds with an unstable power supply that causes major production halts in both industries and local businesses due to energy blackouts. The national energy systems in Pakistan are characterized by several crucial problems: the inefficiency of operation, their dependence on the import of fuel materials, and the lack of sufficient energy infrastructure. Load shedding results in Pakistan losing 2 3% of its GDP each year while the country experiences a power shortage of 4,000 5,000 MW. The issue of power concerns had to be addressed through the delayed implementation that the CPEC project is subjected to because of the regulatory challenges. Proper upkeep requires roads and railways to be financed alongside projects of maintenance costs. With underdeveloped railways coupled with poor qualities of roads, the operational problems arising from the same cause increased costs and lower efficiency decreasing business transportation efficiency. The clearing of cargo through Karachi port contributes to delays leading to an increase in trading costs and hence diminishing business competitiveness. The poor development of the digital economy which contributes to the low level of digital and telecommunications infrastructure amounts to severe problems for rural areas. Old water supply and sanitation facilities cause disruptions in the agricultural sector and industries in all of Pakistan. As a result, operating expenses go up, and inevitably, key investment possibilities dissolve away from basic areas of manufacturing in combination with agriculture and technology manufacturing. Infrastructure gaps are one of the government's main projects in which they are targeting but the gap has been covered and even the efforts achieved by the government to overcome this gap are useless because of corruption in politics and the insufficiency of modernization schemes. However, continued public sector collaboration with private sector organizations is still hindering the key improvements from being implemented. To have sustainable economic growth in Pakistan, basic infrastructure needs to be improved and strategic public-private investment and internationally benchmarked planning are required. As long as infrastructure only serves as an obstacle, there will need to be resolution of existing challenges for economic growth and investment flow.

Foreign Investors

Thank SIFC but want More Radical Change. Industrial investors commend the SIFC for establishing investment improvements through recent measure development frameworks designed to attract capital growth. The country should further develop so that it can maximize the foreign investor's potential benefits when they invest in the country. These are the main issues that investors confront in China: unfair management and laws whose enforcement is inconsistent with security threats. Regulatory conditions are difficult to assess because they are not predictable and, when enforced, look loaded towards their continued existence and hence are considered to be a hindrance and therefore an obstacle to strategic decision making; fiscal operations corruption is the greatest calamity because it becomes a prime wound to investment procedures and stands as the biggest hurdle for business expansion. The anti-corruption body should be made independent even as the aim is to eradicate corruption permanently in all corners of the country, and this should be followed with active measures promoting transparency. Given this, better legal safeguards top the list of investor expectations for their investments as this ensures expropriation protections as well as making payment for any damage suffered by their investments. The status of basic infrastructure, as regards the energy systems and transport networks, is essential to the business because it affects costs. The current SIFC has an initial set of improvements while there are essential transformations that need to happen in these sections for Pakistan to reach its potential for investment. Investment of foreign funds in Pakistan is then attracted by progressively solving essential operational problems which leads to economic growth and new job opportunities.

Domestic Investors

Express Appreciation to SIFC but Emphasize Poor Infrastructure. SIFC's simplification of rules is supported by the local investor community which claims, however, that the financial growth of Pakistan is hindered by inadequate infrastructure. Business operations face interruptions along with higher expenses as a result of badly managed energy resources and transport systems accompanied by weak logistics performance. The Pakistan Business Council determined through survey findings that business costs reach billions due to energy losses. Investors have emphasized the requirement to simplify bureaucratic requirements and simplify administrative functions to minimize costs and speed up procedures. The government has to allocate major funding toward essential infrastructure projects for energy production as well as transport systems such as roads and ports while enhancing regulatory bodies' operational capabilities. Business sustainability alongside domestic investment growth can be achieved through these measures which build an optimal business environment.

Dr. Ishrat Husain (Former Governor, State Bank of Pakistan)

SIFC has Endeavored to Enhance the Investment Climate Comprehensively and Qualitatively, and much more Remains to be Done. Dr. Doctor Ishrat Husain the governor position of the State Bank of Pakistan supports economic policy modifications to promote increased business investment across Pakistan. Despite its positive image and environmental enhancement, the SIFC requires more actions to develop its maximum potential according to him. The SIFC serves to streamline procedures and enable investments of both local and foreign entities primarily targeting key sectors that include energy transport agriculture and IT. Numerous improvements have been achieved but Pakistan still faces serious difficulties arising from political unrest alongside insufficient infrastructure and weak connections between different government agencies. Dr. To establish investor confidence Husain believes the institution needs better regulatory enforcement and stronger rule of law applications. The current business growth remains obstructed by fundamental problems in transport systems and utility services which continue without resolution. The workforce of Pakistan requires better-skilled training to enable high-tech industry development. Investor confidence remains negatively affected by persistent political instability and security concerns stemming from regional troubles. Dr. Husain emphasizes that the SIFC will achieve maximum potential and maintain consistent investment flows when Pakistan keeps its finances sound and maintains stable economic conditions while making long-term diplomatic moves to improve security and relations in the region. Strict continuous modifications will enable Pakistan to build an environment that attracts investment.

Dr. Kaiser Bengali (Economist)

SIFC's good results are contingent on dealing with the roots of structures. Dr. Kaiser Bengali as an economist emphasizes that SIFC will enhance investment yet fails to tackle fundamental economic problems without fundamental structural reform initiatives. The challenges to investment according to him originate from Pakistan's political system which has central control and produces weak governance with instability and corruption while civil services suffer from inefficiency. According to Dr. Kaiser Bengali decentralizing decision authority while fixing policy fragmentation stands as an essential requirements to reach success. Various factors such as unstable macroeconomics, insufficient legal safeguards in addition to inefficient energy distribution impede investment opportunities. He stresses that implementing necessary reforms across agriculture, human capital development and infrastructure development creates the best conditions to fully realize the potential economic growth from the SIFC. The SIFC will experience limited effects unless structural problems receive appropriate attention.

Ministry of Finance

SIFC has the Responsibility of Facilitating Pakistan to attain the set Investment Objectives. Dr. Kaiser Bengali as an economist emphasizes that SIFC will enhance investment yet fails to tackle fundamental economic problems without fundamental structural reform initiatives. The challenges to investment according to him originate from Pakistan's political system which has central control and produces weak governance with instability and corruption while civil services suffer from inefficiency. Dr. According to Bengali decentralizing decision authority while fixing policy fragmentation stands as an essential requirement to reach success. Various factors such as unstable macroeconomics, insufficient legal safeguards in addition to inefficient energy distribution impede investment opportunities. He stresses that implementing necessary reforms across agriculture, human capital development and infrastructure development creates the best conditions to fully realize the potential economic growth from the SIFC. The SIFC will experience limited effects unless structural problems receive appropriate attention.

Board of Investment (BOI)

SIFC fulfills its role as CDC of BOI's Investment Promotion arm to boost investment development through promotion and facilitation. The Special Investment Facilitation Council (SIFC) members use an efficient alternative framework to assist BOI investment operations by handling investor challenges. Through its single window system, the Special Investment Facilitation Council enables investors to make quick decisions and shortens approval waiting times. BOI focuses on developing four primary business sectors consisting of energy infrastructure IT and agriculture which it supports through collective investment possibilities. Through its efforts, the SIFC helps the BOI reach its target to obtain $10 billion annually from FDI by 2025 thus strengthening Pakistan's market competitiveness and sustainable development.

Increased Authoritative and Decision-Making Forces

It also plays a crucial role to improve Pakistan's investment climate and public administration system. The bureaucratic system with decentralized management is problematic for Pakistan in terms of investment development, thus that is why the Special Investment Facilitation Council (SIFC) was established to exercise the central decision-making power. Energy operations and infrastructure along with manufacturing in Pakistan gain accelerated project execution for the SIFC due to less bureaucracy process and more efficient processes. Empowered with decision-making power, the SIFC encourages collaborative federal-provincial decision-making, promotes clear regulation, and increases the capabilities for the resolution. To attract FDI investment from foreign sources, the SIFC is used to make prompt decisions which are accompanied by prompt dispute resolution of land acquisition and environmental matters. As an authority center with improved coordination functions, the SIFC would function as a coordinating mechanism while removing the structural barriers to improve the investment competition to advance sustainable economic development for Pakistan.

Enhancement of the Regard to Accountability and Transparency

The investment environment of Pakistan needs transparent decision-making and better accountability to fight against corruption which is combined with bureaucratic inefficiencies. Pakistan enhances its transparency through the continued role of the Special Investment Facilitation Council (SIFC) together with the Board of Investment (BOI). Commercial and investment operations are simplified through recently digitized automation of business procedures along with advanced legal frameworks as well as the creation of investment single-access facilities. The implementation of international standards for anti-corruption together with governance reform practices enables Pakistan to achieve better ratings in international transparency reports. The enhanced property rights through regulatory changes together with better land transaction systems and the Right to Information Act function as investment confidence tools for investors. The government persists in its dedicated approach to transparency as its primary driver to boost investment recruitment while developing economic growth and public transparency.

Closing the Infrastructure Deficit

The economic growth of Pakistan faces limitations because of insufficient infrastructure since its energy and transport water sectors and communication systems require urgent development to draw investment and improve living standards. Energy security presents a substantial challenge to the country because CPEC achieved important power project investments regardless. The transport sector demands modernization throughout the nation especially in rural regions as CPEC funds construction of ML-1 railway lines and motorway expansions. The government focuses its attention on dealing with water scarcity by investing funds toward building new dams together with water management infrastructure. Broadband infrastructure expansion efforts have emerged due to the limited connectivity problems affecting rural areas despite the recent progress in mobile technology and internet access expansion. The main purpose of the Special Economic Zones along CPEC routes involves attracting investments for industrial development. To fulfill its infrastructure demands Pakistan needs investments between $25 and $30 billion annually despite this requires public and private alliance development and worldwide funding sources. The future development of Pakistan's economy primarily relies on strategic investments that should focus on both the energy sector and transport systems and water infrastructure together with digital connectivity development.

Integrating Efforts of Various Agencies and Reduction of Activities that are Taken Independently

Because Pakistan's economic system is bureaucratic, inter-agency collaboration is essential to execute good governance and policies. An imbalance of proper relationships between government entities leads to inefficiency in operation hence the delays and increased corruption rates. By linking up government ministries service delivery is publicized and it also creates a conducive room to invest in policies that will see them succeed. With their functions, the Special Investment Facilitation Council (SIFC) is able to drive joint performance efforts mostly in the direction of CPEC SEZs development and investment approvals. Moreover, it offers improved policy execution on account of public institution coordination with the energy sector and agriculture sector along with social safety programs such as the Ehsaas Program which helps to provide better services to beneficiaries. Political turbulence, bureaucratic oppositions, and diverse administrative procedures, that vary from one another, form resistance to further establishment of cooperation. A central governance system needs to be implemented to address conflicts of operational problems with the provision of adequate public official training as well as efficient conflict resolution avenues. Better collaboration among government agencies will result in a better government that will be responsible for bringing Pakistan's national economic expansion further and improving the standard of living everywhere in Pakistan.

Marketing for Investment Pakistan at an International Level

In addition, these administrative reform measures help Pakistan achieve its aim of upgrading the quality of the investment environment by reducing bureaucracy, simplifying administration, and benefiting foreign investors. Security difficulties along with political tensions and bureaucratic ineffectiveness were hurdles in the past, nonetheless multiple improvements the government manufactured to make business operating easier got frustrating leaps onto World Bank rankings. In addition, most of the organizations under the Board of Investment lend a hand to investors through international embassies by organizing investment seminars. The reason is that the endeavors of Pakistan including CPEC (Chino-Pakistan Economic Corridor) as infrastructure development projects and special economic zones attract foreign investment. Entry points for foreign investors in Pakistan are offered by both agricultural and textiles manufacturing sectors, as well as by IT services and tourism. The authorities introduced new policies in agriculture IT and tourism to achieve modernization in farming support IT digitalization and boost tourism development. Additional trade agreements between Pakistan and China as well as the United States improve the country's appeal to international investors. The country faces ongoing security risks together with inconsistent policies and poor infrastructure but continuous reforms and digitalization initiatives are addressing these problems. The consistent improvement of cross-sectorial cooperation and policy stability demonstrates Pakistan's capability to secure substantial foreign investments that will focus mainly on infrastructure development energy sectors and emerging industrial sectors.

SIFC Formation's Restructuring in 2020 Coupled with Broadened Objectives

The Special Investment Facilitation Council (SIFC) of Pakistan was reconstructed in 2020 by simultaneously fulfilling two objectives increasing foreign direct investment and reducing the business complexities. Before its changes in policy, most of Pakistan had multiple barriers to investment due to complicated regulations, weak bureaucracy, and inadequate infrastructure. The government unified administrative control of various bodies through the Special Investment Facilitation Council to further facilitate investment and also updated its stimulation tactics and procedures, simplifying them. In order to further expand the SIFC's management scope, main industrial domains such as energy and infrastructure agriculture and IT and manufacturing were included along with a specific focus on Special Economic Zones that constituted the China-Pakistan Economic Corridor (CPEC). Officially, the SIFC performed its official duties to enhance international investment in Pakistan and perform diplomatic meetings and international promotional tours. Established reforms attached an investment facilitation center that integrated services that improve their operational effectiveness, and support the investors with better facilities for land acquisition and permit approval procedures. There are two essential obstacles that planners come across as they upgrade bureaucracy and control procedures between distinct government zones under the initiative. The SIFC will work with expanded duties to make Pakistan an investment-friendly country and accomplish all the future developmental targets in each sector. Reform implementation and enhanced institutional operational efficiency are the two key elements leading to the success of energy and infrastructure projects.

SIFC's Online Portal to Facilitate the Investors is now Available

In 2020, the Special Investment Facilitation Council (SIFC) created an online portal to help the Government of Pakistan by digitizing its streamlining of investment procedures and arbitrating away the veritably official delays. Using the simple investment platform, the digital platform created an information portal for foreigners especially investors based in China to assist them in the investment process. Through the online portal, it removed the red tape that the investors faced in obtaining necessary permits approvals and licenses from various government departments, as these procedures usually took longer to complete their business activities. This led to the SIFC building an online platform thereby making Pakistan more open to investors, as it ensured higher transparency and efficiency levels. Investors were able to track their demand for approvals through an online portal, and as such, official document submissions and communication were also possible to decrease application duration and official paperwork requirements. This enabled users to navigate through information about government support schemes and pick on investment prospects, and regulatory insights, to name a few for both agriculture and energy and technology respectively. Investors, who effectively use this platform, may promote Special Economic Zone, including China Pakistan Economic Corridor (CPEC). The proprietary platform was operated to lure both home and overseas investors with information on locations having incentives and preferences for sectors. Pakistan displayed its ability to better its global business facility positioning in worldwide assessors' charts. This centralization made Pakistan more attractive to all potential international investors as these services solved all the complaints that foreign investors had against Pakistan's operations on the grounds that these were not transparent. With all that, the portal also faces several challenges concerning support to system in place software, as well as, integration into government programs and rural populace education regarding digital literacy. Another innovation to Pakistan's ongoing investment climate development which encourages foreign direct investment was the establishment of the SIFC online portal.

Multilateral Diplomacy

Multilateral Diplomacy to Enhance the Investment Environment is one of the ways in an Effective Goal in a Given Country. International relations and global organizations both collaborate in order to enhance the investment environments. A collaborative approach has multiple organizations working together to build sustainable economic systems and strengthen governmental management in conjunction with investment standards. National laws grounded on globally recognized standards need to be implemented, and so do, knowledge-sharing and technical assistance programs. Three types of organizations, the World Bank, the combination of IMF WTO UNCTAD, and OECD, provide the nations with financial support and advisory services with technical aid. The World Bank uses its "Doing Business" report to advise countries on redesigning their regulatory systems by means of modernization. External investments flowing into Ethiopia and Kenya stem from modern international alliances within Sub-Saharan Africa. Sri Lanka along with Vietnam benefits from the support of the IMF and ADB by receiving assistance in stabilizing their economy while developing their infrastructure base and governance system to attract more FDI. Through programs launched by the WTO and OECD organizations such as guidelines and the Trade Facilitation Agreement foreign investment and market access become simpler to achieve. The United Nations Development Programme works to enhance public sector reforms while lowering corruption levels to create attractive investment conditions. The collaborative action between these programs leads to economic growth which subsequently draws investment while implementing systemic changes.

Strengthen SIFC's Power and Independence

The Special Investment Facilitation Council (SIFC) needs a strengthened capacity based on independence to enhance decision-making processes in local and international investments. SIFC attains better authority decentralization to make investments smoother and overcome regulatory obstacles while establishing a friendly business environment. The SIFC needs expanded authority to make quick decisions in land acquisition and regulatory exemptions and tax incentives because this will help it overcome bureaucratic delays. Financial independence granted to the SIFC will let the organization execute projects to strengthen the investment conditions without supervision. The increased ability of the SIFC to negotiate trade agreements and enforce investment policies will enable it to align with international standards thus building investor trust and making business operations more efficient. Long-term economic growth will benefit from sustainable investments through operational independence along with a priority sector focus on technology and infrastructure together with an independent dedicated workforce. The SIFC together with similar empowered investment facilitation bodies in Pakistan has experienced increased foreign investment as countries demonstrate the positive effects of an autonomous and streamlined investment process.

Incorporate a Good Transparency and Accountability System

The principles of transparency and accountability drive the effective governance process which actively decreases corruption and improves the credibility of public as well as private institutions. Openness in decision-making processes allows citizens along with investors and international organizations to view both processes and reasons behind decisions. The public needs easy access to government-produced financial data including expenses, revenues alongside procurement activities. Operational efficiency together with cost optimization and maintainable responsibility throughout procurement transactions are major features of the e-procurement system "Colombia Compra Eficiente." Agencies under India's Comptroller and Auditor General perform independent audits to ensure proper allocation of public funds. vA key element for political transparency is found in free elections coupled with funding regulations for parties, through these two elements governance legitimacy is given to the public. An example of Denmark and New Zealand's systems of choice by foreign investors, because of the clarity and dependability that these countries earned in being responsible countries for whatever business they deliver. For political corruption that leads to economic growth, one may track it down to the most effective source, i.e. ICAC, Hong Kong's Anti-Corruption Body, Anti Corruption practices. If legislation is also passed by governments for the establishment of whistleblower protection and there is enabling citizen budgeting participation, the citizens can be empowered for government accountability monitoring. Estonia has developed e-governance systems that set up digital platforms for e-access of the citizens and residents and public handling has become more transparent for all. As global instruments for helping countries develop their accountability structures, both the UNCAC and

OECD's guidelines are cooperating with each other. By lowering corruption levels in its governance processes, and making it more democratic and efficient, the nation-states are able to meet the standards of transparency and accountability required for favorable economic stability and foreign direct investments.

Build Infrastructure Especially in Special Economic Zones (SEZs)

üSEZ development to improve the infrastructure is an important point for economic development that joins industrial development with its capacity to attract foreign investments. The SEZ creation is a means to attract both foreign direct investment and export amounts and creates jobs as well as supports primary market sectors. The transportation networks the social facilities and utility systems and the ICT connectivity solutions are incorporated in these zones to form places with relatively lower costs of operation that enhance the competence of business at international levels. The Special Economic Zones are used as an instrument of economic development in SEZ infrastructure economics in countries of India, China, Kenya, and Pakistan. In India, infrastructure development work made progress in the provinces of JNPT, while in China, it was in the province of Shenzhen. Growth projects of the Gwadar Port in Pakistan are intended to assist its business component in improving production potential and business operational efficiency. Tax benefits and flexible regulations on employees make it possible for industrial growth in SEZs by attracting corporate stakeholders.

Encourage Public Private Partnership

Public-Private Partnerships (PPPs) represent an efficient approach to developing infrastructure and stimulating economic expansion because they supplement limited government funding in developing countries. PPPs enable the successful execution of large projects in transport, energy healthcare, and education by merging private-sector capital with public regulation and efficiency. London Underground received modernization from the UK and solar power expanded in India as did the Mombasa-Nairobi railroad in Kenya. The applications of PPPs deliver public financial risk reduction together with better service management provided that strong oversight mechanisms and transparency programs and increased public sector accountability address governance issues and cost overruns as well as privatization concerns so public benefit can sustain and development remains durable.

Marketing Plan for Attracting Foreign Investors to Invest in Pakistan

It should thus Develop a Marketing Plan for Attracting Foreign Investors to Invest in Pakistan. The investment marketing strategy of Pakistan promotes national awareness about its business opportunities as investors focus on infrastructure development alongside energy solutions manufacturing production agricultural resources and technological advancement. A combination of roadshows and trade missions together with digital media enables Pakistan to showcase its favorable business conditions and CPEC project which connects South Asia with Central Asia and the Middle East. Public investment promotion receives assistance through the Board of Investment and global forums and benefits from tax incentives along with special economic zones. The authorities focus their assistance programs on Information Technology combined with agricultural and renewable power sectors to attract overseas direct investment. Developments in Pakistan's government process along with focused marketing measures have attracted foreign direct investment from China and Gulf state countries of the UAE and Saudi Arabia. Because of consistent investment, Pakistan will develop into a key global market powerhouse which will stimulate substantial economic enhancement.

Future Direction

Timely implementation of various necessary steps will enable the Special Investment Facilitation Council (SIFC) project to thrive within Pakistan. The Special Investment Facilitation Council requires better capacity building to strengthen performance by defining clear responsibilities that will function under strong monitoring systems. The two operational changes at SIFC aim to enhance competitiveness by improving regulatory and tax processes and foreign investment regulations and implementing one-window concept solutions. The government can expect higher future foreign direct investment as long as it communicates all policies and investment-related information to the public. International organizations must provide technical support together with financial aid for the project to meet its objectives. Government officials should direct their efforts toward developing sustainable development programs in renewable power generation as well as infrastructure and healthcare while creating incentives to bring in investments. The SIFC project's success will strengthen with education programs that build domestic business capacity to work with foreign financial backers and investments alongside power generation improvements and transportation system enhancements as well as digital platform enabling. Security issue resolution and legal safeguards establishment play critical roles in investor attraction because they minimize security concerns. Correct marketing of SIFC will help Pakistan become more appealing to international investors.

Findings

Special investment facilitation is plagued by various obstacles that hamper the operational effectiveness of the Council. Bureaucratic limitations and inconsistent regulations, policy instability, and weak contract enforcement as well as political risks continue to undermine the business ease and investor confidence. However, foreign direct investments have entered the economy but weak local market ties do not afford (of not allow) stronger influences on job creation, technical improvement of skills, and resource development. The investments from SIFCs are doubted to be compatible with sustainable development goals. In the meantime, a number of incompatible investment incentives result in confusion rendering a death blow to their entire effectiveness. However, there is much uncertainty about the long-term stability of SIFC due to poor political governance and security risks, together with the absence of infrastructure, which discourages foreign investment in manufacturing along with logistics and high-tech manufacturing sectors. Institutions that are working poorly within foreign investment systems, however, severely impact foreign investment regulation and supervision. Weak communication strategy results in uncertainties in business development as well as very little technological advancement which reduces the operational efficiency of the SIFC. There exist multiple possibilities between public and private entities to facilitate organizational development for SIFC as well as participation in an international organization. This is because the initiative has opposition over the unequal backing that it receives from different provinces in facing the difficulties of its national adoption. For SIFC to leverage its capacity to promote sustainable economic growth, present challenges must be overcome through stronger governance mechanisms as well as transparency systems and strategic policy reforms.

Conclusion

The fact is the Special Investment Facilitation Council (SIFC)? may prove to be highly effective in improving the investment climate in Pakistan, if indeed worldwide economic growth demands require such a body. The success of the Special Investment Facilitation Council (SIFC) faces obstacles from institutional weaknesses alongside legal barriers and between federal and provincial levels. None of these procedural enhancements from the Special Investment Facilitation Council deal with fundamental issues such as unstable politics, insecure conditions, and inadequate basic facilities. Eco-friendly funding is to be reconstructed in bringing together investment businesses in handling societal and nature-based effects and reconstructing investment criteria. Both political leadership, and strong governance, combined with the successful cooperation between the private sector, are vital for the SIFC's success. Balanced investment distribution is necessary that differences existing between various parts of the country be eliminated. The current potential of the SIFC must be converted into a sustainable platform for all communities being catered to throughout the country.

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