

Faisalabad Regional Development Plan



Trade and Commerce Sector



The Urban Unit

Urban Sector Planning & Management Services Unit (Pvt.) Ltd.



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Faisalabad Regional Planning

Introduction

Faisalabad is a city located in the northeastern region of Pakistan. It is the third largest city in Pakistan, with a population of over 3 million people. The city is known for its rich history and cultural heritage, as well as its modern-day status as a major center of industry and commerce in the country. Originally known as Lyallpur, Faisalabad was established by the British in the late 19th century as a center of trade and commerce. The city was renamed in the 1980s in honor of King Faisal of Saudi Arabia, who had supported Pakistan's development efforts.

Today, Faisalabad is an important center of industry, with a thriving textile industry and a growing agricultural sector. The city is also a major transportation hub, with road, rail, and air connections to other parts of Pakistan and the wider region.

Faisalabad Division

Faisalabad Division is a region in the central Punjab, connecting all four regions of Punjab, while acting as a major economic hub in the region. Faisalabad's economy is robust and diverse, with several key industries driving growth in the city. The textile industry is a major player in the economy, with Faisalabad being home to many textile mills and production facilities. The city also has a thriving agriculture sector. These economic outputs are supported by the services sector of the district that supports the city's business community, helping to facilitate trade and investment, and promote economic growth.

In Faisalabad Division other than Faisalabad, Jhang, Chiniot, and Toba Tek Singh are districts with their own specialization developed over time. All four districts of division share in their history with the British “canal colonies” used to irrigate the region, which led to the development of agricultural economies in these four districts.

Jhang is another city in Pakistan with a rich history. It is located in the Punjab province and is said to have been founded by the Hindu Raja Jhang, who ruled the area during the 7th century. During the Mughal period, Jhang was an important center for Sufism, and the city was home to several prominent Sufi saints and scholars. Jhang is also famous for its festivals, such as the annual Urs, which is a celebration of the life of a famous Sufi saint and attracts thousands of people from all over the country.

Another distinct economic evolution among Faisalabad Division is Chiniot. It is famous for its wooden furniture and developed as a center of woodworking given its proximity to the Chenab River - as timber from Kashmir would be drifted along the river towards Chiniot District. Chiniot's artisans are renowned for their skill and were employed in the construction of both the Taj Mahal and Wazir Khan Mosque.

Toba Tek Singh is another district in the division. Named after Tek Singh, a prominent Sikh landlord during the British colonial era, Toba Tek Singh was established as a city in 1904, and since then, it has developed a vibrant economy that is driven by agriculture and the textile industry. The city is known for its production of cotton, wheat, and sugarcane, which form the backbone of

its agricultural economy. The textile industry in Toba Tek Singh is also quite significant, and it contributes to the city's overall economic growth by providing employment opportunities to the local population.

Regional Planning Exercise

Regional planning has a significant approach in the process of sustainable development. Haughton and Counsell (2004) emphasizes the worthiness of Regional Planning and explains that it determines redistribution of resources such as jobs and surplus working population in a way that each sector of the economy attain benefit by simultaneously meeting the national growth. This also helps in assuring opportunities and jobs to scarce lands. Furthermore, regional spatial strategy (RSS) refers to incorporating spatial framework as a part of policy implementation (i.e. operating regional policies with regional framework). This can be defined as arrangement of land resources within the region for long term planning that aims to achieve synchrony between protection and development through management and control of a territorial space (Liu and Zhou, 2021). Regional Economic development strategies (RESs) are gaining more significance the process of regional planning and for which, regional Development Agencies (RDAs) are responsible for this RESs. Hence, it can be deduced that all economic, social and environmental concerns are interrelated and by incorporating regional context to implementation strategy have the potential to benefit policy making process. Also, Liu and Zhou (2021) determine that lack of this planning process such as frequent revisions, difficulties in implementation, complex approval process and overlapping conflicts led to issue like unbalance regional development, disparity of territory spatial development for largest developing country China. Therefore, with incorporating spatial context into development process is a necessary for contemporary developmental process.

In context of Pakistan, more precisely Faisalabad Division Punjab, the regional planning exercise needs an extensive ground level understanding of sectors and prevailing practices within the sectors. This will help to integrate all the sectors and avoid overlapping of projects and interventions. Integration of all local and regional plans is key for the successful plan and this integration does not necessarily needs financial and physical resources, sometime this can be managed through soft policy interventions.

It is worth mentioning that the Faisalabad Regional Development Plan is the first time that the trade and commerce has been considered important as a stand-alone sector in economic development plan of a region. In the past regional plans, namely Gujranwala Regional Development Plan, Sargodha Regional Development Plan, Bahawalpur Regional Development Plan, have had only a small section with respect to discussion on the sector. However, given the established importance of the sector to the regional and national economy, it was only best that this sector's development be planned for its pivotal role in the economy.

Trade and Commerce Sector

As times pass, Pakistan's economy is less agricultural, and is shifting more towards urban and service-oriented than before. The export mix is changing, with new sectors like Information and Communication Technology (ICT), while the traditional industries such as textile are modernizing with time. This, however, is much different from the provincial mix, of the Punjab.

Pakistan's trade for the year fiscal year 2022 (FY22) made up of USD 23.7 billion, which grew 26.6 percent year-on-year. On the other hand, the imports from various destinations also grew 49.1 percent to reach USD 58.9 billion for the FY22.

Exports for the services sector which makes up for the 58 percent of the national economy, grew 17.1 percent in these times. Of this, the wholesale and retail trade comprise 32.4 percent, showing the significance of trade and commerce to Pakistan.

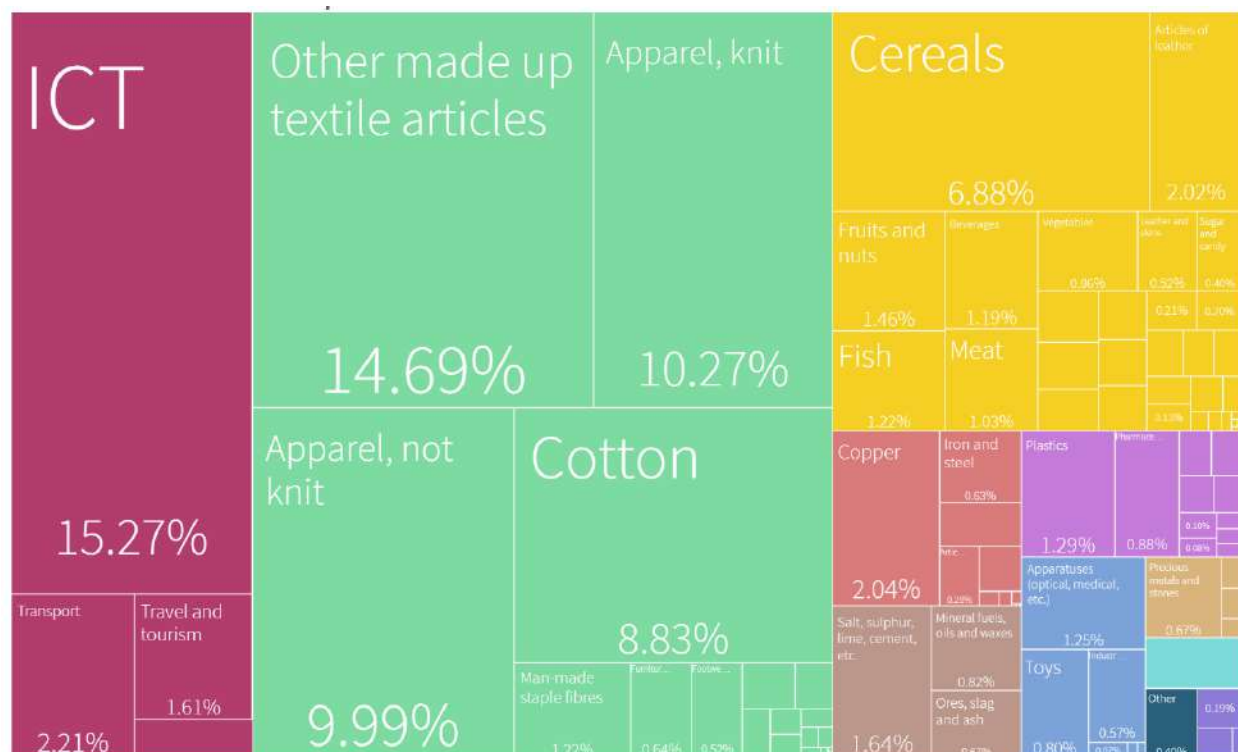


Figure 1 Major Exports of Pakistan 2020

Source: Harvard Atlas of Economic Complexity

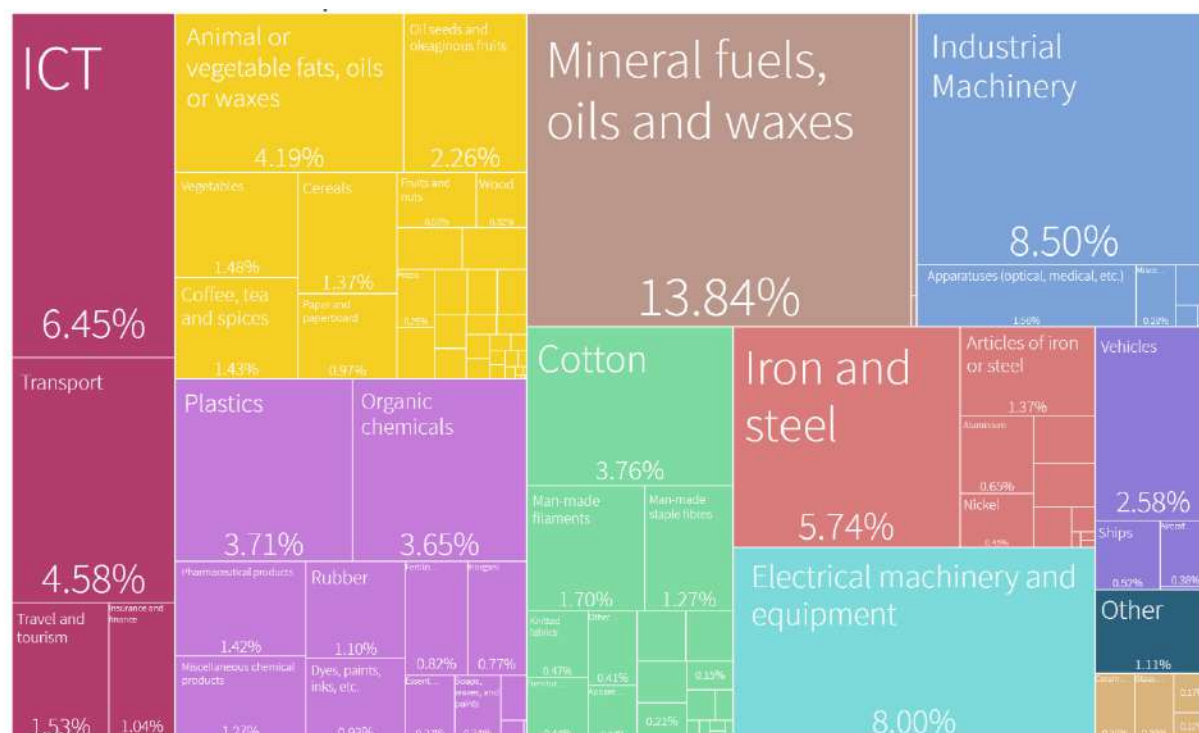
The tree diagram above shows the export mix of Pakistan for the year 2020, highlighting the important sectors of the economy.

It shows that on a national level, the textile sector (green colored) constitutes most of the Pakistan's export, making up for 47.3 percent of the total exports in the year, followed by, services sector making up for 19.6 percent, and agriculture making up for 18.7 percent of the total exports. Among the subsectors mentioned in the tree diagram, notwithstanding the economic sector, the Information and Communication Technology (ICT) made up for the biggest share in exports. Data shows that the export mix of Pakistan has been consistent in recent years, where country's exports remained concentrated on three commodities, cotton manufacturers, leather, and rice. These three represent 69.9 percent of Pakistan's major exports for the year 2021-22.

However, on a provincial level, no specific data on the export mix of Punjab is available. Often, called Pakistan's granary for its largely self-sustaining agrarian character, Punjab possesses

considerable differential agricultural advantage. Agriculture-based products for export from Pakistan is 60% contributed by Punjab, which makes up the textile sector of Pakistan.

Figure 2 Major imports of Pakistan 2020



Source: Harvard Atlas of Economic Complexity

On the imports side too, as shown by figure 2, ICT made up for the biggest import component for Pakistan, making up for 6.45 percent of total imports for the year, followed closely by Refined Petroleum Oil, making up for 5.52% of country's imports.¹ The import mix of the country for the year 2021-22 comprised mainly of petroleum, medicinal products, petroleum crude, LNG, palm oil, plastic materials and iron and steel, leading to a total of \$59.8 billion worth of imports in fiscal year 2022.

On a provincial level, since specific data on Punjab is not available, we assume the import mix based on the province's economic structure.

¹ Harvard Atlas of Economic Complexity

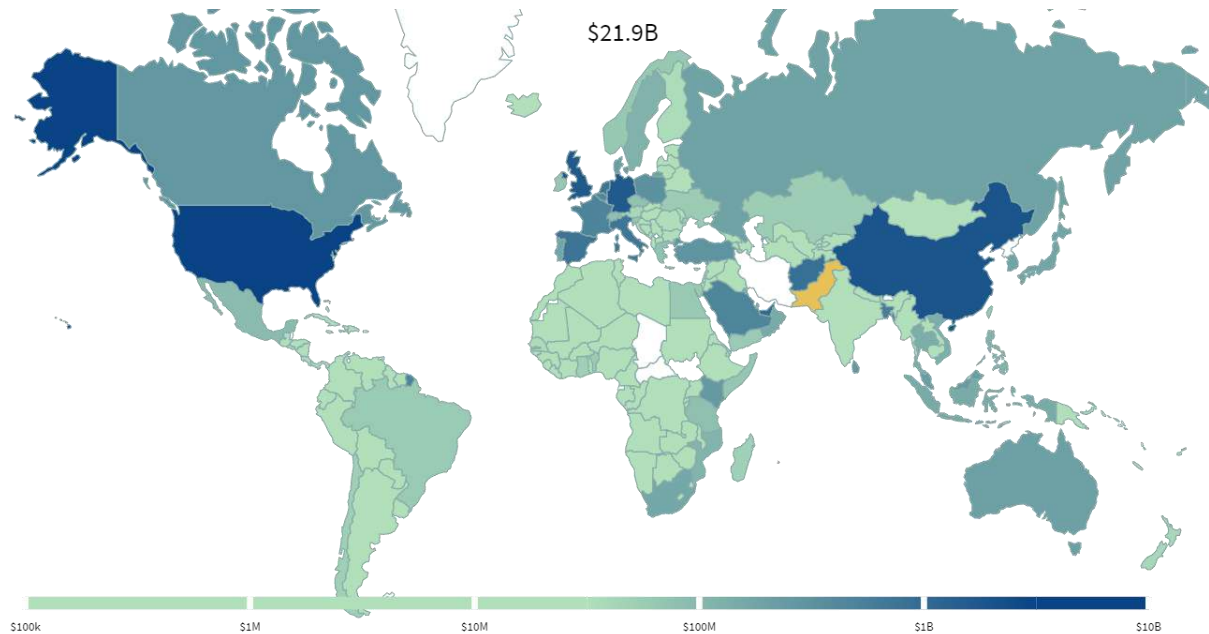


Figure 3 Pakistan's top Export Destinations 2020

Source: Harvard Economic Complexity Atlas

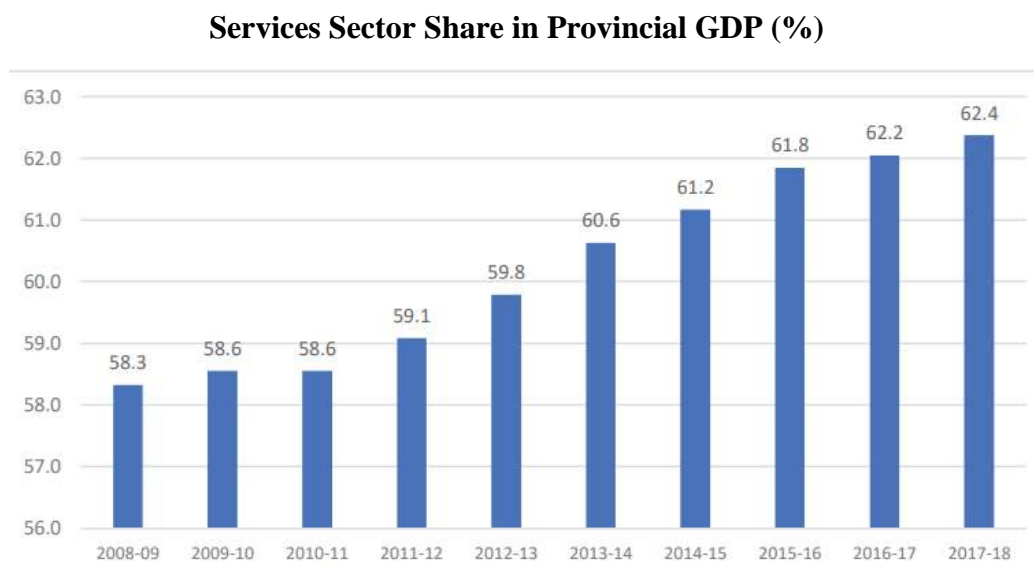
Three top export markets for Pakistan have been USA, China, and UK, with USA being the destination of 21 percent of exports, China making up for 11 percent, and the UK comprising of 7 percent of Pakistan's exports in the fiscal year 2021-22. In the Textile Manufactures, the biggest share is of bedwear, with knitwear raking the highest value of USD 3729 million, while Bedwear made up for the highest quantity exported. Figure 3 from 2020 shows Pakistan, some in Europe like Germany and North America account for the biggest export destinations for Pakistan.

On the other hand, the top three countries Pakistan imports from, include China, UAE, and Indonesia, with 28, 10, and 6 percent share of total imports of the country. Other main sources of import are Saudi Arabia, and USA. The country wherefrom Pakistan imports in the highest value

is China, with Rs2.83 trillion in imports from the neighboring country. UAE lags with imports worth Rs983 billion coming reaching Pakistan for the year 2021-22.²

Punjab's Economy

As the national GDP's 58% share still comes from the services sector³, and of that almost 58 percent is contributed by Punjab. Sectoral Composition of Punjab shows that the services sector makes up for 62.4 percent of the Provincial GDP.⁴



Source: Punjab Growth Strategy

In the services sector, trade and commerce sector in Punjab is a major contributor to the province's economy and has been showing steady growth in recent years. According to data from the Federal Bureau of Statistics, the contribution of the wholesale and retail trade sector to the provincial GDP was approximately 15.5% in 2019-2020. In the same year, the agricultural sector, which is closely linked to the trade and commerce sector, contributed around 19% to the provincial GDP. In addition to this, the province is home to over 1.5 million SMEs, which employ around 2.5 million people and contribute around 35% to the provincial GDP. The trade and commerce sector in the province is further supported by a well-developed transport and communication infrastructure, with Lahore, the provincial capital, serving as a major center for trade and commerce. Overall, the trade and commerce sector plays a crucial role in the economy of Punjab and is expected to continue its growth trajectory in the coming years.

Using reports and certain assumptions common in literature, the calculated the Gross Regional Product for Punjab, according to the calculations the GRP for Punjab for 2020 in line with the GDP provided by the Economic Survey of Pakistan. This revealed Punjab's share of 54 percent of the national GDP, amounting to \$145,800 million. The sectoral breakdown of Punjab's GRP

² Pakistan Economic Survey 2021-22

³ Pakistan Economic Survey 2021-22

⁴ Punjab Growth Strategy 2023-Planning and Development Board, Government of Punjab

revealed that 59.5 percent of the GRP, \$86,751 million is contributed by the Services sector as shown in figure 4 below.

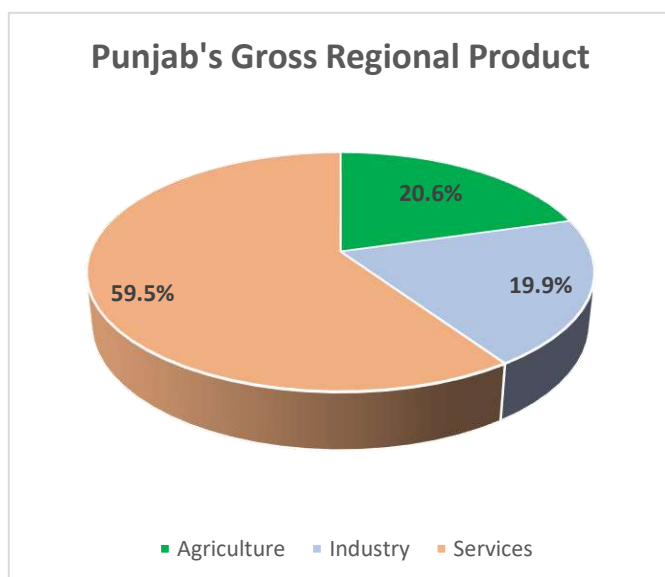


Figure 4. Punjab's GRP

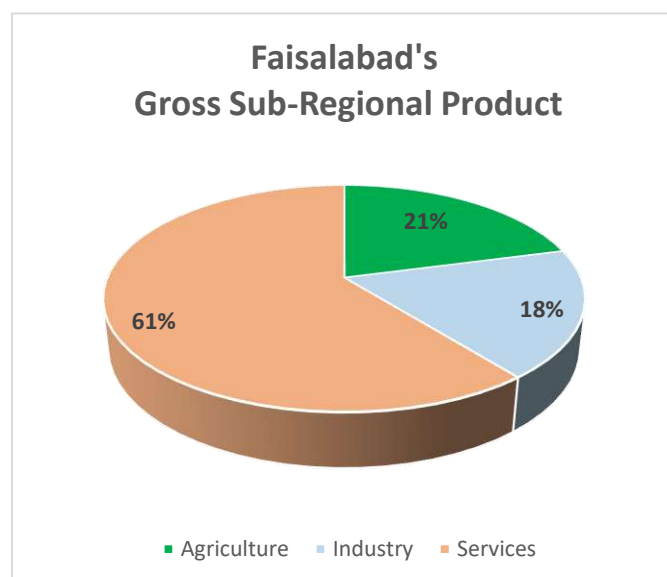


Figure 5 Faisalabad's GSRP

Following this, the share of labor force of each division in Punjab's total labor force is taken from LFS 2018 and share of each division's Household total Income in Punjab's total household Income is taken from PSLM 2018 separately for Rural and Urban areas. Then, the average of LF and HH Income is averaged to determine the approximate share of each division in GRP Punjab separately for Rural & Urban Areas. Using the Urban and rural share of GRP, the sub-regional GRP (GSRP) of each division is calculated and then these rural-urban added up to get sub-regional GRP of each division. According to the result, the Faisalabad Division shares the third highest percent of the GRP, with the GSRP of 13.2 percent or \$19,198 million.⁵ Sectoral breakdown reveals the services sector to have the biggest share in the division's GSRP.

This amounts to 61 percent, or \$11,710.78 million, compared to Agricultural share of 21 percent and industry's share of 18 percent (See Figure 5 above).

⁵ Approximation of Gross Sub-Regional Product (GSRP) at Division (Sub-region) Level in Punjab Pakistan-The Urban Unit

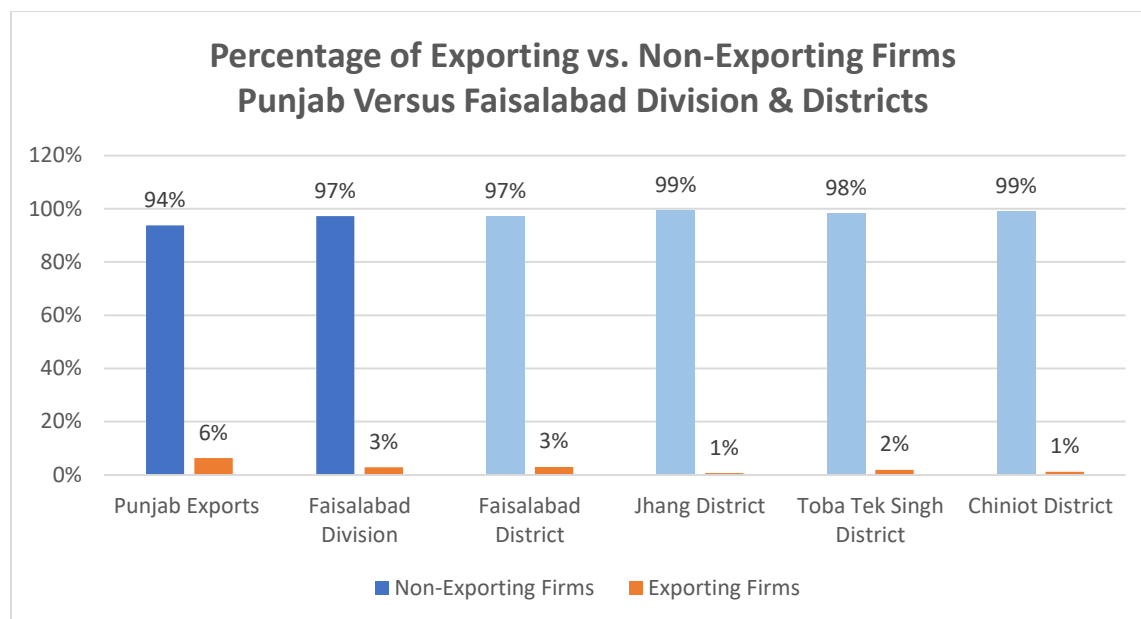


Figure 6 Faisalabad Exporting Industries vs Rest of Punjab-CMI Data

The CMI Data of Punjab and its comparison with Faisalabad shows that the Percentage of Exporting firms in Punjab is higher than that of Faisalabad Division, even though Faisalabad is known as the major industrialized city in the province. The data for “Operational” and “Active” firms shows that six percent of Punjab’s Industries report exporting products, compared to 3 percent in Faisalabad Division.

This shows that even though Faisalabad is an industrialized city, export linkages need to be strengthened to increase trade from the region. Another comparison of the region on district level shows that the Faisalabad District does better than the other Districts in the division as shown in Figure 6 above.

Approach and Methodology

Approach

Assessment of the trade and commerce sector of Faisalabad required going over both primary and secondary sources of data. The secondary data is available in the form of previous projects and interventions, international best practices that can be implemented to enhance the trade and commerce sector of the region, and the economic profile of the study area that is available online. Firstly, it must be established that primary and secondary data collection was taken place at different levels of hierarchy as given below

- Macro and City-wide Assessments
- Markets/Area-Wise Assessments

The primary data involves going in field and meeting different stakeholders including public to gauge the issues which ensures inclusivity in recommendations made. Thus, to get a holistic picture of the ground realities with respect to the trade and commerce sector, consultant made visits to Faisalabad in December 2022 and January 2023. In the first tour, it included consultations with various stakeholders in the region such as Faisalabad Electric Supply Company (FESCO), Faisalabad Development Authority (FDA), Faisalabad Chamber of Small Traders & Small Industry (FCSTSI), and Municipal Officers (MOs) for Infrastructure and Planning to name a few. The team also visited some of the major Trade and Commerce establishments to see the situation at hand and hear from the traders in the area about the issues they face in reaching optimal efficiency needed to conduct operations. This included commercial markets in Faisalabad including Motor Market Faisalabad, Clock Tower Market Faisalabad, Samundri Road Market, Chiniot Furniture Market, Kamalya Chichawatni Road, Jhang Circular Road Market, to name a few.

Data availability from the relevant stakeholders enabled the consultant to quantify some of the findings for the otherwise qualitative understanding of the economic activities in the area, which helped in justifying the existence of economic activities and the approach taken in terms of interventions.



Figure 7: Primary Data Collection (Field Visits + Stakeholder Consultations)

Market Level Assessment

On a lower level, the market level assessments of Pakistan were carried out against a set of indicators set in line with the international best practices and literature review of policies and commercial area guidelines around the world. This resulted in fifty different indicators under six aspects, namely, 'Locational Aspects', 'Infrastructure Support', 'Competitiveness Dynamics', 'Governance & Management Status', 'Risk & Security Management', and 'Linkages Review'.

A checklist was formulated using these fifty indicators (*shown in Table 1 below*), and field visits in the study area were conducted where observations and interview with local stakeholders led to scoring of markets against them. resulting in a broad understanding and prioritization of area of intervention in the said markets.

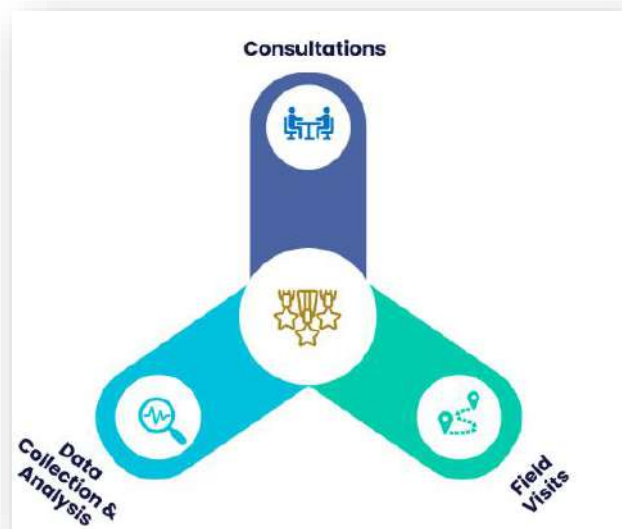
This helped the consultant tailor market-specific interventions to revitalize and improve the commercial areas in the study area in line with their naturally established specializations and infrastructure support needed in line with this.

Assessment Methodology

Assessments were carried out at different levels, city-wide (macro) and market-wise assessments to get an overall picture of the issues as well as specific issues faced by commercial stakeholders in specific areas.

Firstly, city-wide assessments were carried out by meeting different stakeholders during field visits as mentioned. This included meeting with federal, provincial and local governmental agencies, alongside the private sector stakeholders that represented the commercial area activities in the said cities.

To conduct assessment at market levels, of the trade and commerce establishments across the study area, an elaborate checklist was formulated by the team based on international best practices and standards followed internationally. Markets across Faisalabad Division were scored against fifty different measures categorized under six different aspects, as observed and informed about during the visits. These six aspects are 'Locational Aspects', 'Infrastructure Support', 'Competitiveness Dynamics', 'Governance & Management Status', 'Risk & Security Management', and 'Linkages Review'.



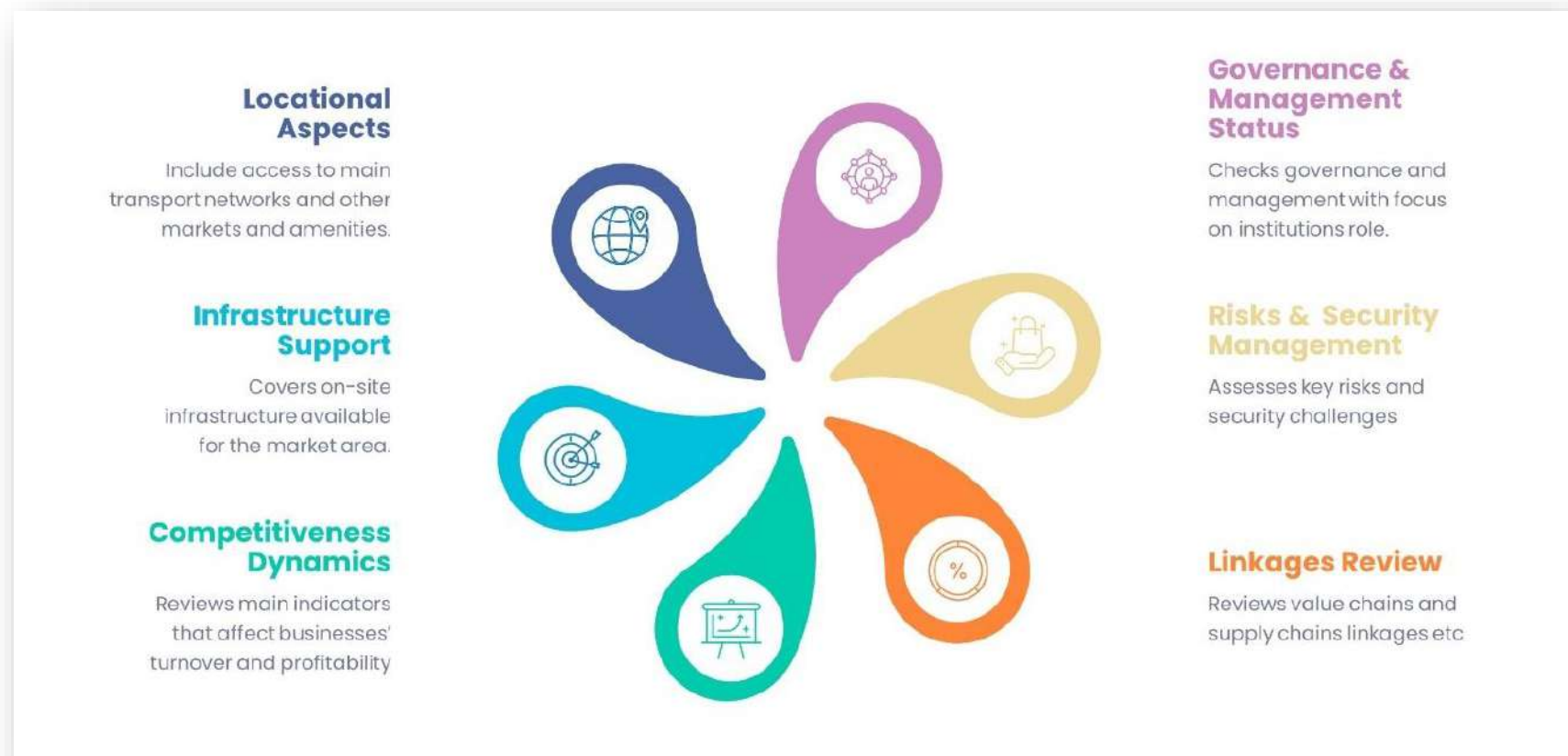


Figure 8 Market Assessment Approach

Evolution of Faisalabad as a Trade and Commerce Hub

From Sandal Bar to Chenab Colony: The Canal Colonization that Transformed Faisalabad

The Faisalabad, and in fact the entire Punjab, as we know of today traces its current economic beginnings to the 19th century. It was part of the ancient province of Jhang and Sandal Bar mainly consisting of dense jungles and local tribes. In the words of Imran Ali, before the canal colonization, the area was majorly “desert-waste”. He added, “canal colonization transformed this region (i.e. Punjab), from desert-waste, or at best pastoral savanna, to one of the major centers of commercialized agriculture in South-Asia.”⁶

After British annexation in 1849, an ambitious plan of canal colonization was began, and nine canals were established in Punjab from 1885-1947. The state had doled out a greater part of the then uncultivated land and declared it “crown squander”. According to historical records, by 1900, the British had invested Rs. 92 million in perennial canals in the province.

Setting the foundation of modern-day Faisalabad, Chenab Colony was the first attempt at developing a vast area of 1.1 million acres comprising arid wasteland with a very small population which was mostly nomads. With this step, the journey from Sandal Bar to Chenab Colony, the development from barren lands to the fertile lands began. Sandal Bar consisted of Lahore, Jhang, Montgomery (now Sahiwal), Lyallpur and Multan, and was the most prominent area, and it enjoyed central place in colonial history. This gave rise to the agriculture industry in the region.

It was in 1886, when Lyallpur was carved out of Gujranwala, Jhang, and Montgomery, and the then tehsil was named after Sir James Broadwood Lyall, a prominent British administrator and governor of Punjab, who served in India during the late 19th century. Sir James Lyall was known for his contributions to the development and administration of the Punjab region and was regarded as one of the most capable and effective administrators of his time. The naming of the district after him was seen as a fitting tribute to his service and achievements.

Evolution to Becoming a District

In the 1870s the colonial Punjab government decided to increase the cultivated land by making barrages and canals to meet the demand at European markets. This led to the canal-based irrigation of the areas now comprising the district of Faisalabad. In 1880, a colonial officer, Captain Poham Young, with the support of Sir James Broadwood Lyall, proposed a new town. The design was based on the Union Jack, with eight roads radiating from a large clock tower in the centre. The eight roads developed into eight separate bazaars.

This Faisalabad Clock Tower formerly known as the Lyallpur Clock Tower is one of the oldest monuments still standing in its original state from the period of the British Raj. It was built in 1905 by the British, when they ruled much of the South Asia during the nineteenth century. The decision to build the clock tower on this spot was taken by the then Jhang deputy commissioner Sir James Lyall. The foundation of the majestic Clock Tower was laid on 14 November 1905 by the British

⁶ The Punjab Under Imperialism, 1885-1947 by Imran Ali

lieutenant governor of Punjab Sir Charles Riwayat and the biggest local landlord belonging to the Mian Family of Abdullahpur Mian Abdul Raheem, Faisalabad (then known as Lyallpur).

Perennial canals allowed the surrounding areas to be irrigated. The town grew rapidly as farmers settled on newly irrigated land. A large number of settlers came from different areas of Punjab especially from Ludhiana, Jalandhar and Ambala on the promise of large agricultural lands. With the extensively planned distribution of land the canal irrigated areas of Sandal Bar soon became populated. This led to a rapid transformation of the nomadic environment of the Bar into a more agriculture based one.

In 1892 the British government decided to join Lyallpur with a rail link to major rail network to transport agricultural surplus to the ports to be shipped to European markets. In 1895 the rail link between Wazirabad and Lyallpur was completed. In 1896, Lyallpur was given the status of a tehsil of the Jhang District, and its administration was carried on in tents on the old Theh (Mound) of Pucca Mari near Tariqabad.

Beginning of Lyallpur District

Initially known as Lyallpur, today, at 5,856 Sq. Faisalabad district, located in Punjab and is known as the Manchester of Pakistan because of its industrial significance. It has natural boundaries towards the south because of River Ravi, while touches Hafizabad and Sheikhupura in the north while Toba Tek Singh, Chiniot and Jhang district in the west. This was well planned by British as shown in paras above.

By 1902 the population of the town exceeded 4,000, including the new Sialkot Jats, particularly Bajwas, Kalloos, Cheemas and Chattas came to establish the agriculture land of Chenab (called Chena bar). Houses and shops had been constructed to cater to the ordinary needs of the population. In 1903 it was decided to establish an agricultural college. In 1904 the new district of Lyallpur was constituted, composed of the tehsils of Lyallpur, Samundri and Toba Tek Singh, with a subtehsil at Jaranwala which later became a full tehsil.

By 1906, the district headquarters began to function in Lyallpur and all the bazaars and settlements within the bounds of a ring road were nearing completion. The city began to spread outside the circular road. The Town Committee was upgraded to a Municipal Committee in 1909 and the Deputy Commissioner was appointed as its first chairman. In 1916, the grain market saw its shops surging with customers. In the same year the civil hospital was expanded.

By 1910s, Faisalabad became a major hub for Mandis, which meant paved roads were built by British to allow farmers to bring their produce to these Mandis. All this raw material was collected over to export to U.K. Wheat was one of the major exports to U.K. The export was made via rail to Karachi for Europe.

There were also cotton ginning factories in the district especially in Lyallpur city. The Hindus and the Sikhs were economically well, and they were controlling nearly all the business of Lyallpur.

They were even more educated than that of Muslims. They were more influential than Muslims as well.⁷

The Industrial Growth and Transformation of Faisalabad and Chiniot in Punjab, Pakistan

Alongside building the canal infrastructure in Punjab, the British focused on enhancing the capacity of agricultural outputs of Lyallpur, and thus, in 1909, an Agriculture college and research institute was established at Lyallpur. 7500 acres of land was set for producing and exporting high quality cotton to mills in the UK. Infrastructure grew and farmers grew, where they started growing beyond subsistence farming.

All this indigenous raw material led to existence of small ginning industry. it emerged as a Mandi town that transformed it into a major trade centre. The products boost gave way to the nourishment of the urban trade and commerce centers and finally in Chenab colony, Lyallpur emerged as main market town of Chenab Colony as well as sub-continent. It became the main industrial hub of cotton related business as well agro-business.

According to the Punjab District Gazetteer Lyallpur District from 1935, there were 64 main cotton ginning factories in Lyallpur.⁸ This shows that industry in pre-partition Lyallpur was dominated by the production of cotton in the district, a feature that has continued in the post- partition period.

The industrialization took further hold in the region with various incentivization schemes post 1947 such as Green Revolution and the 50s when Faisalabad region was declared an industrial zone. This led to a lot of new industries being set up in the region, and the industrial economy really taking off for the region.

Now, there are dozens of textile mills with other subsidiary units. Roughly, there are 512 large Industrial units, out of which 328 are Textile units, 92 engineering units and 92 of chemicals and food processing units. This has been made possible by favorable organic conditions alongside governmental support.

From Basic Cotton to Global Leader: The Evolution of Faisalabad's Textile Industry and Its Impact on Employment and Economy.

The post-independence textile industry in Faisalabad can be traced back to the 1950s, when a few small-scale textile mills were established in the region. These mills mainly focused on producing basic cotton fabrics for the domestic market. During the 1960s and 1970s, the industry saw a modest growth, with an increase in the number of textile mills and the introduction of synthetic fibers in the production process.

In the 1990s, the Faisalabad textile industry underwent a major transformation, with the introduction of new technologies and increased investment in the sector. The number of textile mills increased from 50 to over 328, and the production capacity grew from 2 million meters of fabric per day to over 15 million meters per day. The employment generated by the industry also

⁷ History and Development of Lyallpur 1800-1947

⁸ Punjab District Gazetteers, Lyallpur District, Statistical Tables 1935, volume-XXV, (Lahore: Government printing Press, 1936), xxvi.

rose, providing jobs to over 200,000 people in the region. The industry's contribution to Pakistan's economy also grew, with the Faisalabad textile industry now accounting for over 60% of the country's total textile exports. The industry's growth can be attributed to various factors, including favorable government policies, increased investment, and technological advancements.

This led to the inflow of workers from all neighboring areas to the fast-industrializing district of Punjab.

Chiniot is a city located in the central province of Punjab, Pakistan. The city has a rich history dating back to the Mughal era.

The city was founded in the 16th century during the reign of the Mughal Emperor Akbar. It was named after a nearby village, Chiniote, which was famous for its production of chiniot wooden furniture. The city quickly became a center for commerce and trade due to its strategic location on the banks of the Chenab River.

During the British colonial period, Chiniot remained an important center for trade and commerce, with many British merchants establishing their businesses in the city. The city was also known for its handcrafted goods, such as wooden furniture, textiles, and pottery.

After the creation of Pakistan in 1947, Chiniot continued to flourish as an important commercial center. In the 1960s, the city underwent significant development, including the construction of new roads, bridges, and buildings.

In recent years, Chiniot has become known for its stunning Islamic architecture, including the famous Chiniot Mosque, which was built in the 17th century and is one of the finest examples of Mughal architecture in the region. The city is also famous for its beautiful wooden furniture and other handicrafts, which are highly sought after by tourists and collectors from around the world.

Faisalabad: From Agriculture to Industry, A Growing Economic Powerhouse

The Faisalabad district is currently divided into six tehsils: Faisalabad City, Faisalabad Saddar, Jaranwala, Jhumra, Samundri and Tandlianwala. The district headquarter is Faisalabad city. However, until divisions were abolished in the year 2000 it was part of the Faisalabad Division. Whereas, since 2005, Faisalabad was re-organized as City District and comprises of eight Tehsil municipal Administration (TMAs) (or Towns). The total population according to the 2017 census is 7,873,910, which grew at 1.97 average annual growth rate since 1998.

Faisalabad is recognized as the "Manchester of Pakistan" due to its contribution of over 20% to the country's annual GDP, which amounts to an average of \$20.55 billion (USD) per year. The city's economy heavily relies on the agricultural sector, which accounts for 21% of its GDP, and the surrounding region irrigated by the lower Chenab River produces a variety of crops such as cotton, rice, sugarcane, wheat, fruits, and vegetables.⁹

In addition to its agricultural activities, Faisalabad today has also established itself as an industrial hub. It benefits from a well-connected transportation system, including highways, railways, and

⁹ Faisalabad Master Plan 2021-2041-FDA

railway repair yards, as well as processing mills and engineering works. The city's industries specialize in the production of various goods, such as cotton and silk textiles, superphosphates, hosiery, dyes, industrial chemicals, clothing, pulp and paper, printing, agricultural equipment, ghee, and beverages.

The emergence of industries in Faisalabad has had a significant impact on the growth of the trade and commerce sector in the city. With a well-established textile industry, the demand for raw materials such as yarn has resulted in the growth of wholesale markets catering to the textile industry. These markets not only provide a convenient platform for manufacturers and suppliers to trade, but they also help in promoting the growth of other related businesses such as packaging and transportation.

Moreover, the industrial sector has also given rise to the development of machinery markets in Faisalabad. These markets provide a variety of equipment and machinery that cater to the needs of the different industries in the region. They have become a hub for local businesses to source machinery, equipment, and spare parts, helping to drive economic activity and create employment opportunities.

Overall, the incidence of industries in Faisalabad has not only bolstered the city's economy, but it has also led to the growth of various allied sectors such as trade and commerce. The establishment of wholesale markets for yarn and machinery markets catering to the different industries has further stimulated the economy, and created more opportunities for businesses as trade linkages are developed with rather ease. As such, some of the major trade and commerce establishments are given in the figure 9 below.

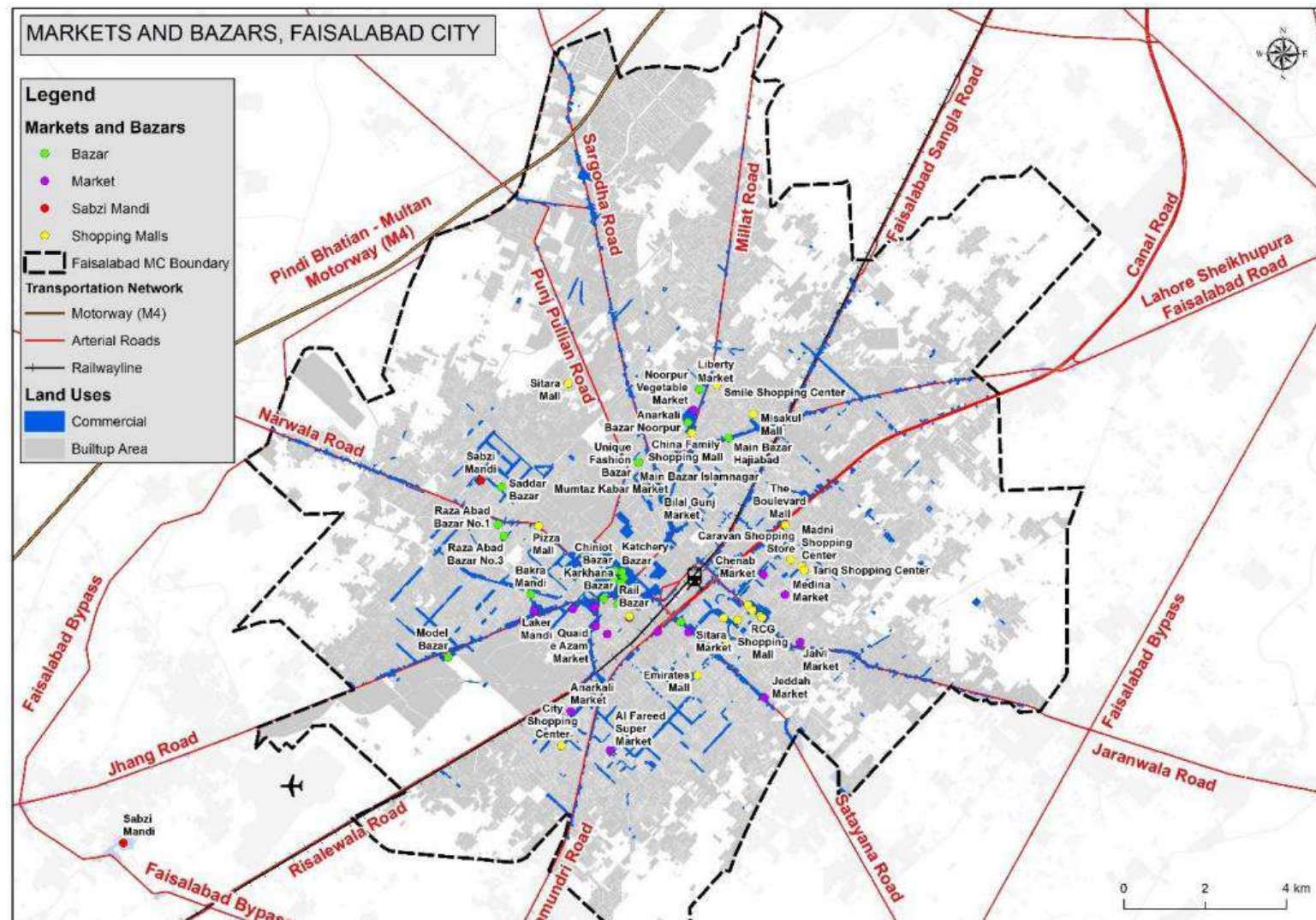


Figure 9 Trade and Commerce Sector:

Source: Faisalabad Masterplan 2021-2041

Present Dynamics of Trade & Commerce Sector in Faisalabad

Trade & Commerce sector (also phrased as the services sector) makes up for 50 percent of Punjab's economy, and Wholesale and Retail Trade is the largest subsector of the Services Sector.¹⁰

To further analyze this, we can see the proportion of Faisalabad's Trade and Commerce Sector employment as a proportion of total Punjab's employment. This way, we can establish the importance of different subsectors of trade and commerce sectors in the region. According to the tree diagram below (See Figure 9), which shows the percentage of each subsector of services sector of Faisalabad Division compared to Punjab, we see that Faisalabad division has a high incidence of employment subsectors like 'Arts, entertainment, and recreation', human health and social work activities, and 'wholesale and retail trade', valuing at 16.9, 14.2, and 13.7 percent respectively.

If we see the share of services sector in Faisalabad division alone, we see that Wholesale and Retail sector make up for 43.8 percent of the people employed in the trade and commerce sector. This is followed by Transportation and Storage, accounting for 14.34 percent of the workforce in this sector. Other notable areas of employment within trade and commerce sector include Education, Activities of households as employers, and health sector. (see figure 10 below).

Further breakdown of the economy of the Faisalabad Division into four districts, namely Faisalabad, Chiniot, Jhang, and Toba Tek Singh to the LFS 2020-21 reveals that in the services sector, which is the biggest sector of the district, Wholesale and Retail Trade makes up for the biggest subsector in all four districts, followed by Transportation and Storage, and Education. This is synonymous with the trend in the division, province, and even at the national level.¹¹

¹⁰ Pakistan Bureau of Statistics

¹¹ Labor Force Survey of Pakistan 2021-22



Figure 10 Dynamics of Trade and Commerce Sector Faisalabad

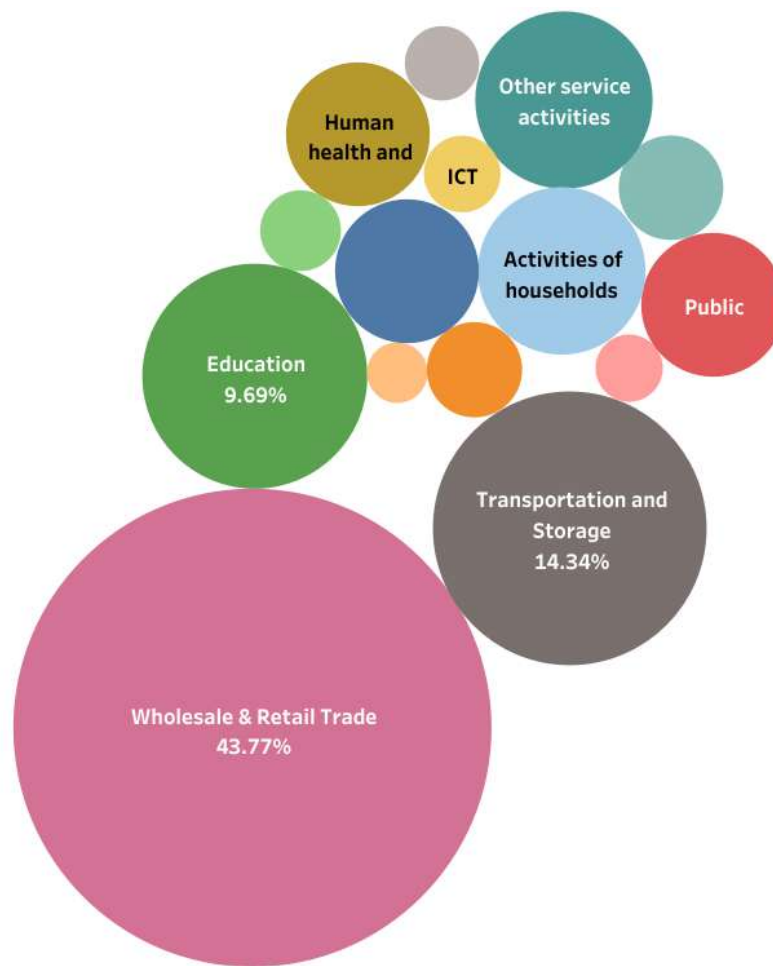


Figure 11 Employment in Trade and Commerce Faisalabad Division

Using Electricity Data

Since there is a lack of data for micro-level contribution to economy, and seeing year-on-year trend is hard using labor force data, the consultant thought it best to use electricity as a proxy to measure commercial activity percentages at the district and city level.

In this regard, data from the Faisalabad Electric Supply Company (FESCO) was sought and metered connections' categorization as commercial were used to get a proxy for change in economic growth in the region. Such use of electricity as a proxy for economic activity is an old idea, proven reliable by international studies and economic analyses by companies and governments around the world.¹²

Using commercial units' data by the FESCO, we compared the commercial units used in the Faisalabad Division with that of Punjab, and Pakistan. Data showed that Faisalabad division (for

¹² Electricity Use as an Indicator of U.S. Economic Activity-U.S. Energy Information Administration

Faisalabad data, the consultant was careful to exclude areas like Sargodha, which although do come under FESCO's domain but are outside the scope for this study) had 291,131 consumers, compared to 2,621,232 in Punjab, and 3,984,802 in Pakistan.¹³ This showed us important trends as shown in Figure 7 below. It shows that Faisalabad has 7.31 percent of Pakistan's and 11.11 percent of Punjab's commercial consumers.

Further data for commercial electricity usage was compared against above agents to see the share of Faisalabad's electricity usage compared to Punjab and Pakistan. It showed that Faisalabad shared 6.52 percent of Pakistan's commercial units consumed and 10.27 percent of commercial units consumed by Punjab, reaching usage of 601631952 Kwh.

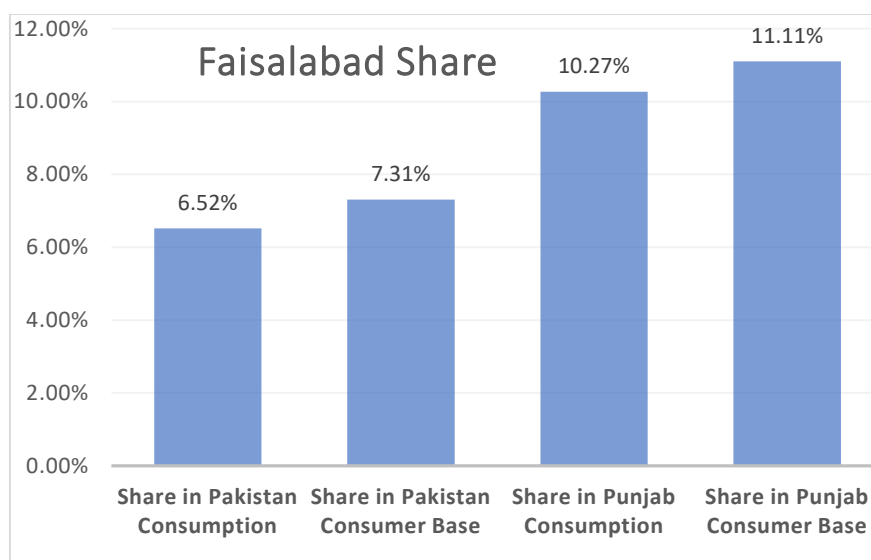


Figure 12 Faisalabad Share (Consumption and Consumer Base)

Comparison of per capita consumption between Faisalabad, Punjab, and Pakistan yielded interesting results, with commercial area consumption in the region, doing better than the national counterpart but lagging province.

¹³ State of Industry Report 2022-National Electric Power Regulatory Authority

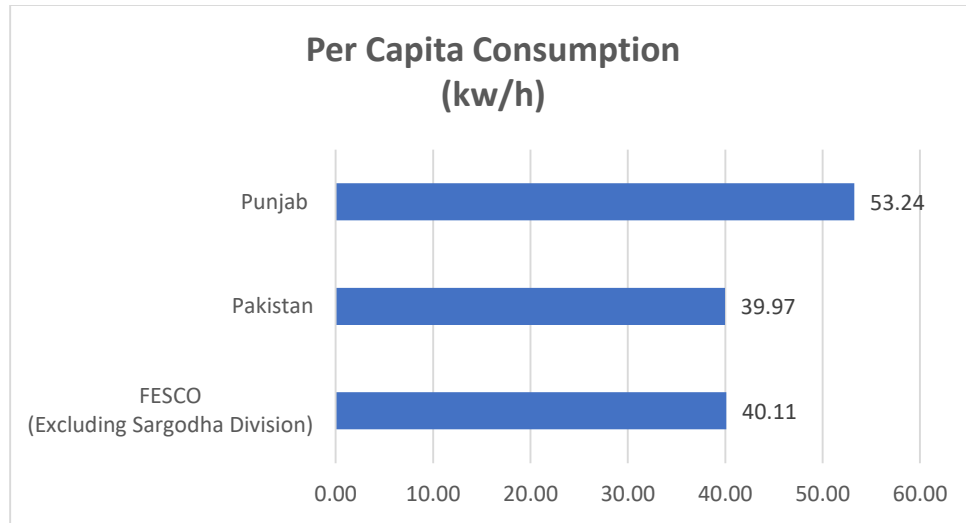


Figure 13 Per Capita Electricity Consumption Comparison

Per capita consumption of Faisalabad Division turned out to be 40.11 kwh, higher than national 39.97 kwh, but lower than the commercial users' consumption in Punjab at 53.24 kwh.

A time-series trend of Faisalabad division showed a decrease in national commercial share, showing that the commercial sector of Faisalabad needs more attention with respect to infrastructure available. The share fell from 7.88 percent in 2018-19 to 7.31 percent in 2021-22, as shown in figure below.

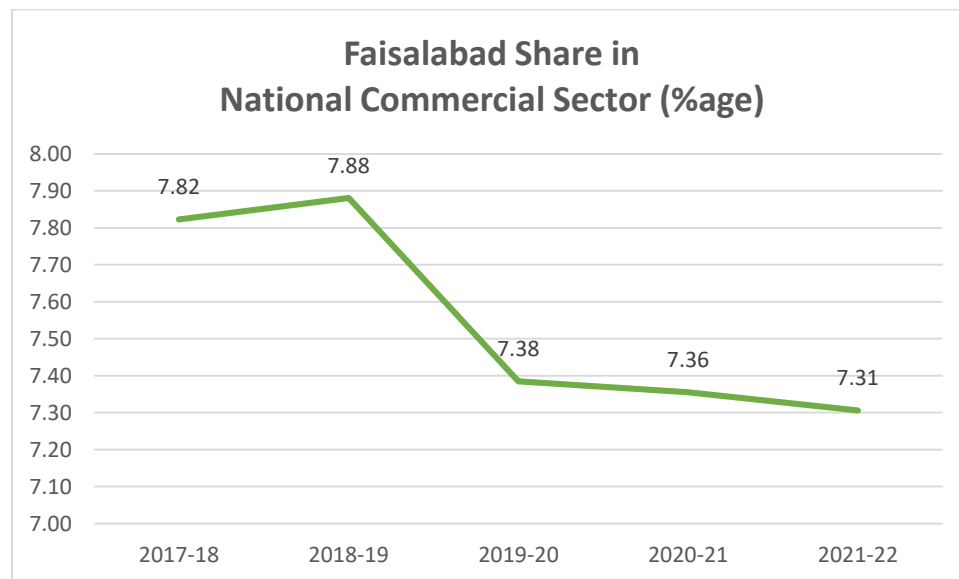


Figure 14 Faisalabad's Share in National Commercial Sector

This economic profile and time series trend show and itself becomes *raison d'être* for commercial areas interventions in the Faisalabad Division.

District-Wise Economic Profile

As already discussed above, each district in the Faisalabad Division has its own economic specialization, working in a synergy with each other, while having economic linkages to different regions in and outside Pakistan. This includes Faisalabad's budding textile industry and overall growing industrial sector, Chiniot's famous and culturally significant furniture/carpentry sector, Jhang and Toba Tek Singh's booming agricultural sectors, to name a few.

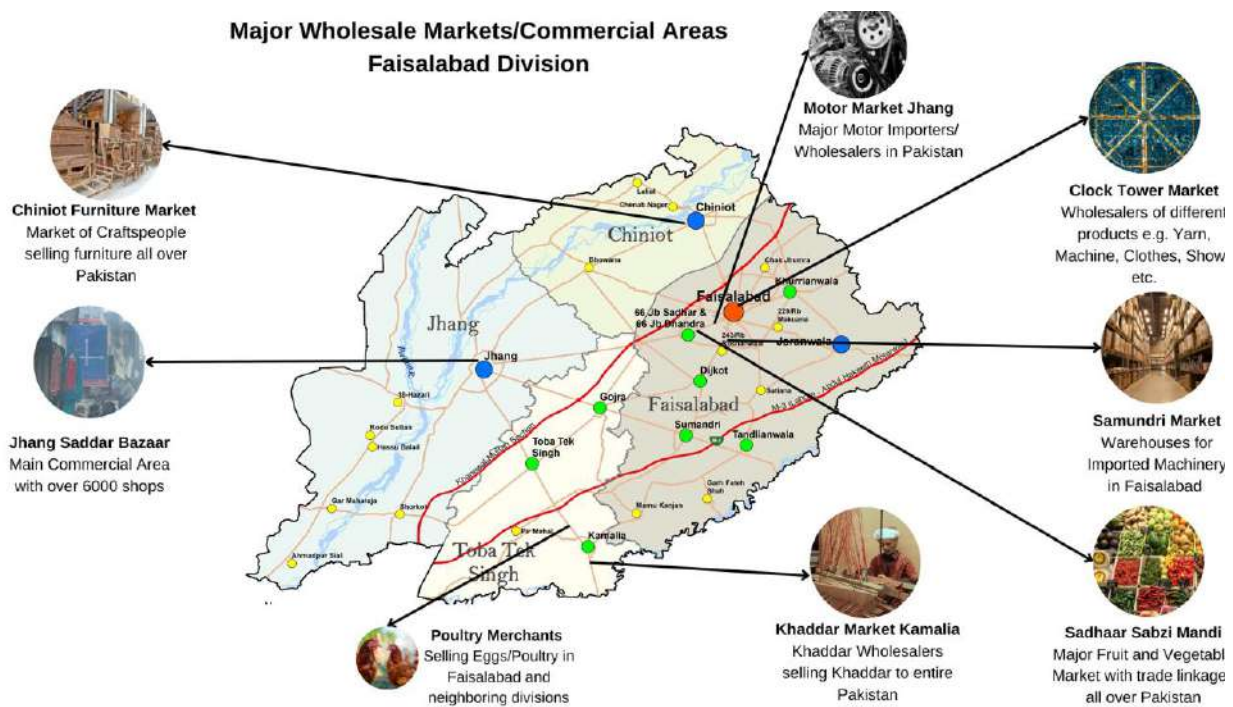


Figure 15 Major Trade and Commerce Areas in the Division

The Figure 15 is a map of the Faisalabad division with major trade and commerce hubs highlighted, for all four districts of the region.

Faisalabad District

Faisalabad is primarily known for its budding industrial sector, however, supporting them is the very prominent services sector of the district. This is supported by the fact that the majority, 37.4 percent, of the workforce in the Faisalabad District is employed in the services sector. This is followed by 34.6 and 28.0 percent employment in the Industries and Agriculture sector of the district, respectively.¹⁴

Further breakdown of the services sector mentioned above shows that the biggest employment in this sector is in the Wholesale and Retail Trade, making up for 46 percent of the services sector employment, and 17 percent of the total employment in the district. It is followed by

¹⁴ Labor Force Survey 2020-21

Transportation and Storage, and Education as major subsectors of the services sector of Faisalabad, employing 12 and 10 percent of the sector's workforce, respectively. (See Figure 16 below)

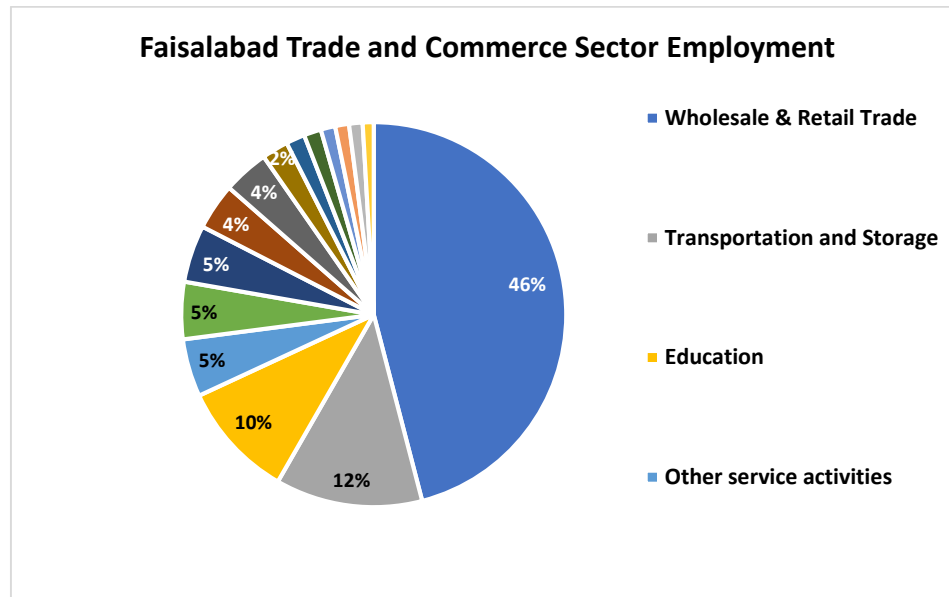


Figure 16 Faisalabad Trade and Commerce Sector Employment

Challenges and Opportunities in the Trade and Commerce Sector of Faisalabad

Challenges:

Some of the challenges faced by the Services sector in Faisalabad:

- **Lack of modern infrastructure:** Despite its rapid growth, Faisalabad still lacks modern infrastructure, which can hinder the growth of the services sector.
- **Competition from other cities:** The services sector in Faisalabad faces competition from other cities in the region, particularly Lahore and Karachi, which are more developed and offer a wider range of services.
- **Weak regulatory framework:** The services sector in Faisalabad is subject to a weak regulatory framework, which can make it difficult for businesses to operate effectively.
- **Political instability:** Political instability can lead to uncertainty and a negative impact on the services sector in Faisalabad.
- **Economic downturns:** Economic downturns can lead to decreased demand for services, which can negatively impact businesses in the sector.
- **Natural disasters:** Natural disasters such as floods and earthquakes can disrupt the functioning of the services sector in Faisalabad.

Opportunities:

Despite the challenges faced, the Faisalabad District has the potential to beco

- **Diverse services offerings:** The services sector in Faisalabad includes a wide range of industries such as banking, retail, healthcare, education, and telecommunications, among others.
- **Growing Standard of Living:** Faisalabad has a growing middle-class population, which has increased the demand for various services, particularly in the retail, healthcare, and education sectors.
- **Availability of skilled labor:** Faisalabad is home to a large pool of skilled labor, which makes it an attractive destination for businesses in the services sector.
- **Strong Backward-Forward Linkages:** Being a majorly agricultural and industrial district, Faisalabad's commercial markets are served by industries in the region, while a lot of the market, like the Motor Market serves the extensive textile industries in the district.
- **Growing economy:** The city's economy is growing, which presents an opportunity for businesses in the services sector to expand and grow.
- **Increase in foreign investment:** Faisalabad is attracting more foreign investment, which presents an opportunity for businesses in the services sector to tap into new markets.
- **Emerging technologies:** The advent of new technologies such as artificial intelligence, the Internet of Things, and blockchain presents an opportunity for businesses in the services sector to adopt these technologies and improve their offerings. This is especially true for the textile sector, where new technologies are emerging.
- **Growing Youth Population:** With big youth bulge, the transformation of Faisalabad's traditional industry, and adaption of newer technologies easier in the near future.

Chiniot District

Chiniot District has organically over the course of history, evolved to become a hub for wood carpentry and furniture hub. The city is known for its intricate and detailed wooden furniture, which is made using traditional techniques passed down from generation to generation. The furniture produced in Chiniot is not only functional but also a beautiful piece of art, reflecting the city's rich cultural heritage and artistic skills.

Despite this, agriculture retains a major part of the economic outputs of this district, and this is proven by the fact that the majority, 47.1% of the workforce in the district still works in the agriculture sector. This is followed by services and industries, forming 29.7 and 23.2 percent of the employment in the district, respectively.

Of the 29.7 percent share of the services sector, the biggest subsector in Wholesale and Retail Trade, making up for 44 percent of the sectoral share. This is followed by Transportation and Storage, and Education sectors, making up for 14 and 9 percent of the services sector employment in Chiniot, as shown in figure 17 below.

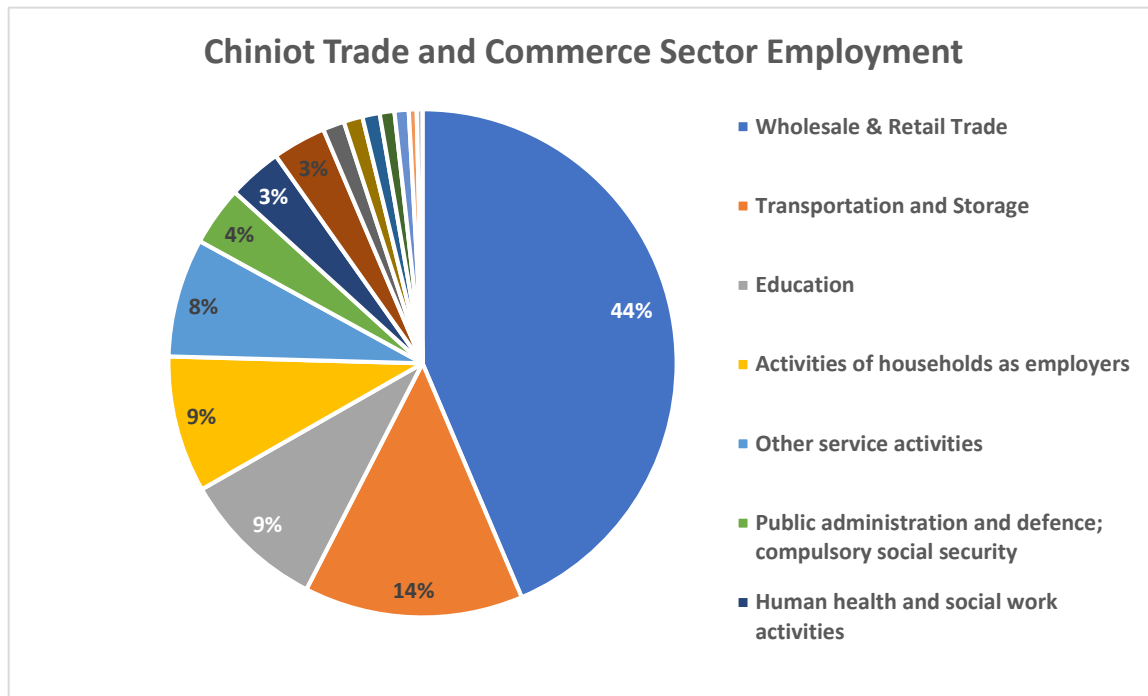


Figure 17 Chiniot Trade and Commerce Sector Employment

Challenges and Opportunities in Chiniot's Trade and Commerce Sector

As with any other sector, the services sector in Chiniot faces its fair share of challenges and opportunities that affect its growth and development. In this context, it is essential to identify and understand these challenges and opportunities to ensure that the services sector can continue to contribute to the economic growth and development of Chiniot. In this article, we will explore some of the challenges and opportunities that the services sector in Chiniot faces.

Challenges:

Some of the challenges faced by the services sector of Chiniot are:

1. **Competition:** The services sector in Chiniot is highly competitive, with many businesses vying for market share. Increased prevalence of cheap innovative imported furniture may lead to loss of market share for the Chinioti Furniture.
2. **Economic instability:** The economy of Pakistan remains fragile, and businesses in Chiniot may face challenges due to fluctuations in the exchange rate and other economic factors.
3. **Political instability:** Political instability in Pakistan can impact the stability and growth of businesses in Chiniot.
4. **Lack of attention:** With small furniture sector not paying attention to changing demand in market, the Chinioti furniture may become a novel product with decreased demand.

5. Lack of accessibility: With lack of accessibility, the travel to Chiniot is costly to investors, and this could hamper growth opportunities for the small furniture industry.
6. Lack of technology: Many service industries in Chiniot still use traditional methods, especially in the furniture design sector, and lack the technology and equipment needed to improve efficiency and competitiveness.
7. Poor transportation system: The transportation system in Chiniot is not well-developed, which can make it difficult for businesses to transport goods and services to customers. This is especially true for inter-district transportation network.
8. Poor access to finance: Many businesses in Chiniot struggle to access financing, which can limit their ability to grow and expand. This has limited the furniture market to a small scale, and no/few indigenous brands have popped out of the district.
9. Corruption: Corruption remains a major issue in Pakistan, and businesses in Chiniot may face challenges in navigating the regulatory environment. This hampers growth of SME sector in Chiniot.

Opportunities:

1. Growing middle class: The growing middle class in Chiniot provides a growing market for service industries. This means better education and improved demand for rights deserved.
2. Government support: The government of Pakistan is actively promoting the development of the indigenous industries in the country, and businesses in Chiniot may benefit from government support and incentives.
3. Increasing tourism: Chiniot has a rich history and cultural heritage, and the city has the potential to become a major tourist destination, providing opportunities for service industries such as hospitality and tourism.
4. Growing e-commerce market: The growth of e-commerce in Pakistan presents opportunities for service industries such as logistics and delivery.
5. Boom of AI technology: Given proper training and tools, the incidence of Artificial Intelligence technology can help Chinioti furniture craftsmen to break the cycle of traditional designs, and introduce new innovative designs to the market.
6. Established Furniture Brand: Chiniot has over time been established as a renowned destination for its Chinioti Craft, which has national, and even international reach.
7. Developing infrastructure: The city is undergoing rapid development, with the construction of new roads, bridges, and buildings, and FIEDMC nearby, which can support the growth of the services sector by offering backward linkages development for the district.
8. Availability of skilled labor: Chiniot has a large pool of skilled labor, which can support the growth of the services sector. This is especially true for craftsmen linked to the furniture sector, which have hereditary knowledge passed down from generations.

9. Proximity to other cities: Chiniot is located near major cities in Pakistan, such as Lahore and Faisalabad, making it an attractive location for development of markets, serving nearby tehsils/districts.

In conclusion, the services sector in Chiniot has significant strengths and opportunities for growth, but it also faces significant challenges and threats. Businesses in the sector will need to navigate these challenges in order to succeed and grow in the long term.

Jhang District

Jhang is the centre of a purely agricultural based society. Agriculture is the chief source of income and employment in Jhang. About 85 percent of the Jhang's cultivable land is irrigated. Wheat and cotton are the principal crops. Other crops grown include rice, sugarcane, corn (maize), oilseeds, fruits, and vegetables. Livestock and poultry are also raised in large numbers in district Jhang.

Economic activity in Jhang has picked up considerably in recent years, due to cheaper land and relatively skilled labour. Due to favourable conditions for agriculture, a number of crops are grown in the area, including Rabi, Kharif, sugarcane, cotton, wheat, bajra, maize and rice. Jhang is also famous for its handicrafts mastered by Jhangvian artists and artisans.¹⁵

This fact is reflected in the share of Agriculture sector employment in the district, employing 53.1 percent of the labor force. This is followed by Services and Industries sectors, employing 25 and 21.9 percent, respectively.¹⁶

Further breakdown of 25 percent of the labor force of the district which is employed in services sector shows that the highest percentage of the people, 36 percent, are employed in the Wholesale and Retail Trade subsector. This is followed by Transportation and Storage, and Education, employing 23 percent and 9 percent of the sector's labor force, respectively, as shown in the figure 18 below.

¹⁵ Punjab Cities Improvement Investment Program-The Urban Unit

¹⁶ Labor Force Survey 2020-21

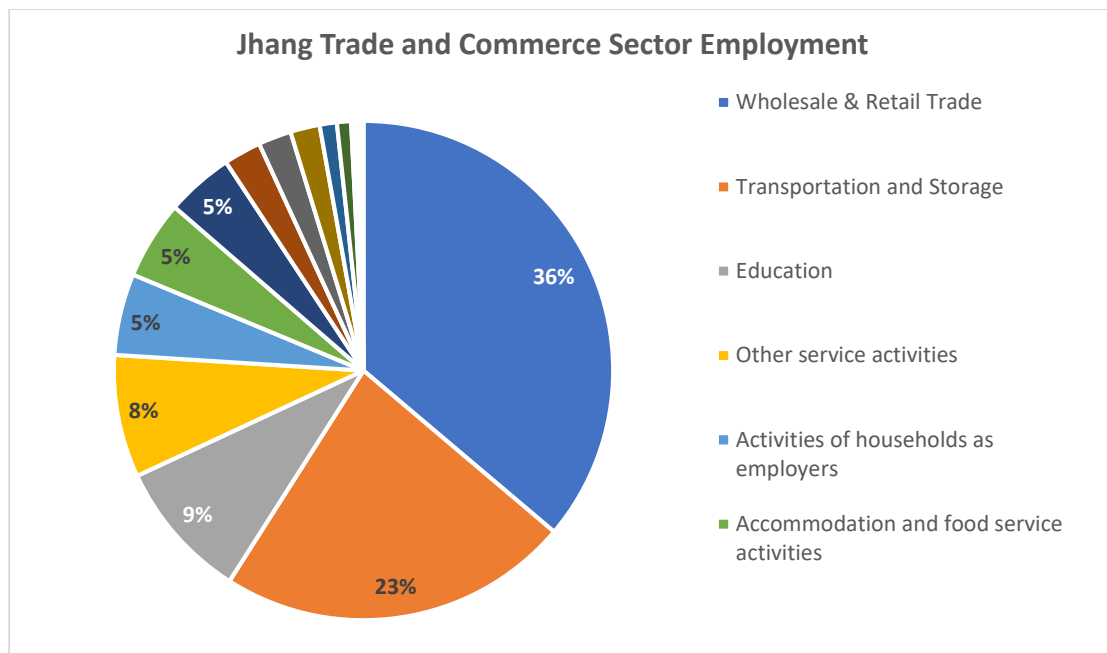


Figure 18 Trade and Commerce Sector Jhang

Challenges and Opportunities for the Services Sector in Jhang

The services sector is a vital contributor to Jhang's economy, and as with any other sector, it faces several challenges and opportunities. Identifying and understanding these challenges and opportunities is crucial for the continued growth and development of the services sector in Jhang.

Challenges:

1. **Lack of investment:** The services sector in Jhang has not received adequate investment, leading to limited growth and development in the sector.
2. **Poor infrastructure:** Poor road and transportation networks, and inadequate facilities such as hotels and shopping centers, are hindrances to the growth of the services sector in Jhang.
3. **Poor Cost Recovery:** Very poor cost recovery performance, meeting only 5% of annual O&M costs. Suggests both a poor willingness to pay and a poor capacity to deter or disconnect illegal connections.
4. **Competition from larger cities:** The services sector in Jhang is facing competition from larger cities in the region, which may attract investment and customers away from Jhang.
5. **Economic instability:** Economic instability, such as inflation and changes in government policies, can have a negative impact on the growth and development of the services sector in Jhang.

Opportunities:

1. **Potential for growth:** With the city's growing population and increasing standard of living, there is a significant potential for growth in the services sector.

2. **Tourism Potential:** The story of Heer Ranjha has the potential to be a significant source of tourism in Jhang. Heer Ranjha is a popular folk tale in Punjabi literature and is considered one of the greatest love stories in Punjabi culture.
3. **Growing demand for services:** The city's increasing population and improving standard of living have led to an increase in demand for services, such as retail, hospitality, and tourism.
4. **Skilled labor force:** Jhang has a relatively educated and skilled workforce, making it easier for service sector companies to find employees.
5. **Land Conditions:** Land Conditions are favorable for agriculture sector development in Jhang.

Toba Tek Singh District

The economy of Toba Tek Singh is primarily based on agriculture and livestock farming, with crops such as wheat, rice, and sugarcane being the main sources of income for the local farmers. In recent years, there has been an increase in small-scale industries, such as textiles and food processing, which have provided employment opportunities for the local population. The city is also home to several marketplaces, including a major grain market, where farmers from the surrounding areas come to sell their produce.

The prevalence of agriculture is proven by the sectoral breakdown of the employment in the district, as 46.8 percent of the labor force works in the sector. It is followed by trade and commerce, and industries sectors, employing 27 and 26.1 percent of the district's workforce, respectively.

Further breakdown of trade and commerce sector shows that Wholesale and Retail Trade makes up for 42 percent of sectoral share, followed by Transportation and Storage, and Education sectors, contributing 14 and 10 percent to the sector's share, respectively.

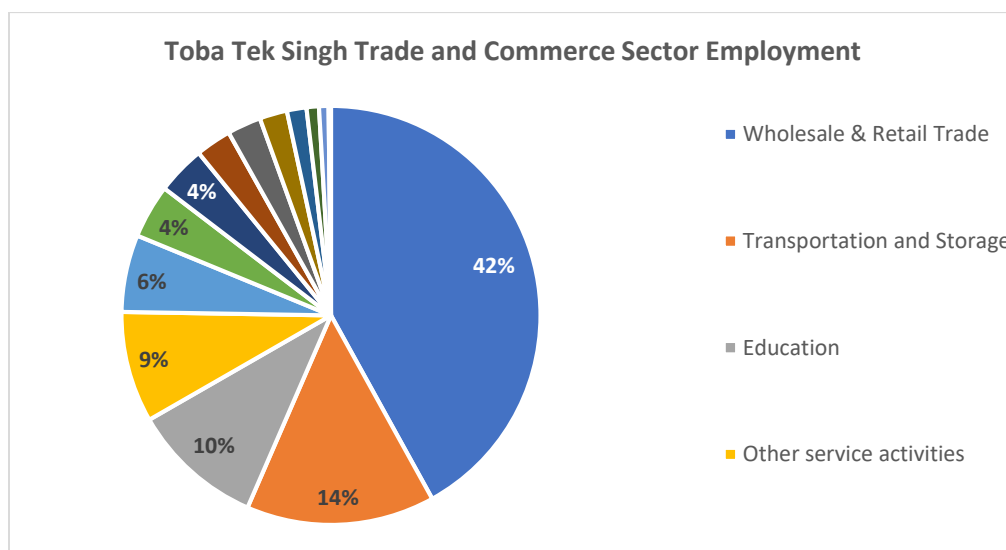


Figure 19 Toba Tek Singh Trade and Commerce Sector Employment

Toba Tek Singh's Services Sector: Navigating Challenges and Exploring Opportunities

The services sector is a vital contributor to Toba Tek Singh's economy, and as with any other sector, it faces several challenges and opportunities. Identifying and understanding these challenges and opportunities is crucial for the continued growth and development of the services sector in Toba Tek Singh.

Challenges:

1. **Lack of Investment:** The services sector in Toba Tek Singh lacks investment, which limits its growth and development. Eggs and Khaddar trade sectors of the district is still a small-scale low-value industry compared to its potential.
2. **Poor Infrastructure:** The district's infrastructure, particularly in terms of healthcare and education facilities, is underdeveloped, which can negatively impact the quality of services offered. Similarly, the rail infrastructure exists but isn't efficient enough to allow commercial use to transport goods, leading to increased costs incurred for trade by road.
3. **Economic Slowdown:** Economic slowdown or recession can reduce the disposable income of consumers, which can lead to a decrease in the demand for services/products.
4. **Regulatory Challenges:** The services sector in Toba Tek Singh is subject to various regulations, which can be burdensome and hinder the growth of the sector. This specifically includes the lack of support for the SMEs that exist in the district.
5. **Technological Disruptions:** Advances in technology can disrupt traditional service delivery models, leading to a decline in demand for certain services.

Opportunities:

1. **Expansion of Healthcare Services:** With the growing demand for healthcare services in Toba Tek Singh, there is an opportunity for service providers to expand and improve their offerings.
2. **Promotion of Entrepreneurship:** Under proper guidance, the traders in the district can be incentivized to make value-added products, and access to finance can enable them to grow/innovate their businesses.
3. **Investment in R&D:** Investment in Research and Development can allow the local businessmen/traders to find/establish their comparative advantage in the already existing economic outputs by increasing their efficiency.
4. **Specialization:** Kamalya tehsil of the district is famous for its Khaddar that's exported around the country, and dairy and egg industry is also growing in the region, with potential to grow further.
5. **Skilled Workers:** Toba Tek Singh has high incidence of skilled workers, that are working in industrial and agricultural sectors, leading to established trade links all over Pakistan.

6. Connectivity: The district is well-connected by road, and rail, which makes it easier for service providers to reach their customers and for customers to access services in the neighboring areas.

Key Markets and Commercial Spaces

Wholesale retail and specialized markets

Some of the key wholesale, retail, and specialized markets in Faisalabad are:

- Ghanta Ghar Market: This is a major wholesale and retail market for fabrics and textiles, including cotton, silk, and other materials.
- Jhang Bazaar: This is another major market for textiles, as well as for food items, such as grains, spices, and dry fruits.
- Motor Market Jhang Road: Specializes in Wholesale of electronics and machinery, especially to the textile sector
- Machine Market Bilal Ganj: Famous for repair and selling machines regionally.
- Samundri Road Market: Samundri market is a wholesale market which hosts a lot of storage houses and warehouses for imported machinery.
- Sadhaar Fruit and Vegetable Market: It is a planned fruit and vegetable wholesale market with national forward and backward linkages.
- Ghalla Mandi Faisalabad: Is a planned grain wholesale market with national forward and backward linkages
- Rail Bazaar: This is a popular market for electronics, including smartphones, computers, and home appliances.
- Sitara Sapna City: This is a large shopping mall that offers a range of retail stores and food outlets.
- Madina Market: This is a specialized market for construction materials, such as cement, steel, and bricks.
- Aminpur Bazaar: This is a specialized market for agricultural products, such as seeds, fertilizers, and machinery.
- Abdullah Pur Furniture Market: This is a specialized market for furniture and home decor items.
- Chiniot Furniture Market: Chiniot Furniture Market is a market for famous Chinioti Furniture that is demanded by the entire country.
- Kamalia Khaddar Market: This is the wholesale/retail market for yarn khaddar with forward linkages all over Pakistan.
- Jhang Saddar Market: This is the retail market in Jhang selling all the
- Khurrianwala Industrial Estate: This is a specialized market for industrial goods, including machinery, equipment, and raw materials.

These markets play a significant role in the economy of Faisalabad, attracting customers and businesses from across the region and contributing to the city's growth and development.

Key Market areas

Faisalabad Division is home to several key market areas that are significant to the region's economy. Some of the most important market areas in Faisalabad Division include:

- Faisalabad International Airport Cargo Complex: This is a major market area for international trade, as it is home to an air cargo complex that handles imports and exports of goods by air.
- D Ground Market: This is a popular retail market area in Faisalabad, known for its high-end fashion outlets, jewelry stores, and electronics shops.
- Jhang Bazaar: This market area is known for its textile industry and is a major center for cotton and textile trading in the region.
- Saddar Bazaar Jhang: The Saddar Bazaar Jhang is a major retail hub for the city and attracts shoppers from across the region. The market offers a wide range of products, including clothing, shoes, accessories, household items, electronics, and
- Chenab Market: This is a popular market area in the city of Jhang, known for its retail shops and street vendors selling a variety of goods, including food items, clothing, and household items.
- Clock Tower Market: This is a busy commercial area in Faisalabad, located around the historic Ghanta Ghar (Clock Tower) monument. The market is known for its textile industry and offers a variety of goods, including fabrics, clothing, and handicrafts.
- Chiniot Furniture market: The Chiniot furniture market is a hub of furniture production and trade, attracting buyers from across the country as well as from international markets. The furniture produced in Chiniot is known for its unique designs, high quality, and durability, and is often made from locally sourced materials such as Sheesham wood and Kikar wood.¹⁷

¹⁷ This list is non-exhaustive and includes only major areas.

Market Level Assessment

On a lower level, the market level assessments of Pakistan were carried out against a set of indicators set in line with the international best practices and literature review of policies and commercial area guidelines around the world. This resulted in fifty different indicators under six aspects, namely, ‘Locational Aspects’, ‘Infrastructure Support’, ‘Competitiveness Dynamics’, ‘Governance & Management Status’, ‘Risk & Security Management’, and ‘Linkages Review’. A checklist was formulated using these fifty indicators (*as shown in table below*), and field visits in the study area were conducted where observations and interview with local stakeholders led to scoring of markets against them. resulting in a broad understanding and prioritization of area of intervention in the said markets.

Table 1 Checklist for Market-Level Assessment

Component	Details	Type
	Access to main road network	G
	Access to logistics network including rail and ports	G
	Other market of similar type within proximity of 2 KMs	G
	Accessibility with proper public transport and stops	GV
	Designated Commercial Area/Zone	VD
	Open Space/Green Area	GV
Infrastructure Support	Availability of Utilities (Gas, Electricity, Water, Sanitation, Sewage)	V
	Designated and Adequate Parking Area	V
	Waste Management and Cleanliness	V
	Warehouses & Storage Houses	VS
	Designated Loading/Off loading ramps	V
	Streetlights	V
	On-site businesses support services i.e. Banks, Testing, Labs, Certification, Grievance Redress etc	V
	Quality pedestrian network with gender and special persons access with signage	VS
	Proper Sheds/Stalls and Shopping areas	V
	Restrooms with gender consideration	V
	Common service areas with considerations to Women and Children	V
Governance & Management	Implementation of Zoning and Building regulations	VD
	Master Plan/Layout of the Market area	VD
	Publicizing of Market segments/Emergency Numbers with proper signage and codes	V
	Standardized Marketing and Stalls by Sellers/Vendors	V
	Price/Weights/Quality Monitoring	VS
	Updated Market Registry/Database	D

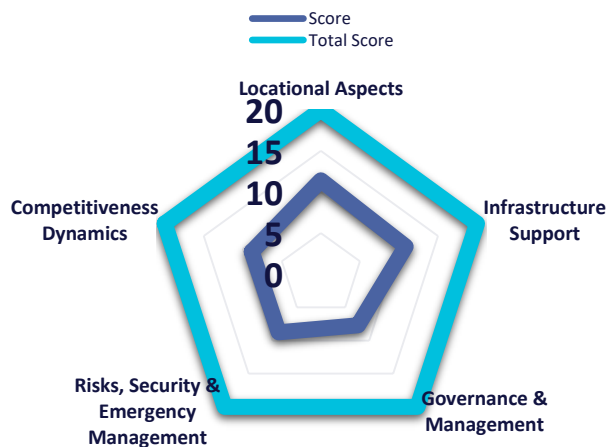
	Quality of Maintenance, Buildings, Inspections and SOPs	VD
	Existence of of Market/Trade Union	VD
	Standard Times for Market and Delivery/Loading	V
	Collection of Fees/Taxes for Market Improvement	VD
	Market SOPs and Support by the local community	V
	Customer Complaint Cell/Boxes	V
	Workers' rights committee	V
Risks, Security & Emergency Management	Police/Security Company on-site	V
	Security Cameras	V
	Means of Egress in Emergencies	V
	Access to Ambulance	V
	Access to the Fire Birgade	V
	Water Hydrants on Site	V
	Awareness and Training on Housekeeping, Envrionment, OHS and Emergency Management	SD
	Risk Management Tools/Guidelines	D
Competitiveness dynamics	Rental/Lease Instruments with standard duration	D
	Standardized Brokerage, Licence and Management Fees	D
	Guide/Office support for new businesses	D
	Business Expansions (Real Estate, Renovations etc)	VD
	Businesses Closures/Shifts	VD
	Electricity Consumption Patterns	D
	Banking transactions and trade volume	D
	Tax base	D
	Buyers Response and Statisfaction	S
	Customers base(increase/decrease)	S
	Availability of skilled labor	S
	Market Turnover Trend	S
Linkages	Major Products/Services	S
	Key Suppliers and Sourcing Locations	S
	Major Customers and Selling Destinations	S
	Sources of Transportation	S
	Source of Business Finance (Working Capital and Investment)	S
	Value Addition (Grading, Packagening, Processing, Marketing, Labeling etc)	SV
	Export and Imports Contributions	SD

This helped the consultant tailor market-specific interventions to revitalize and improve the commercial areas in the study area in line with their naturally established specializations and infrastructure support needed in line with this.

Faisalabad Clock Tower Market

Faisalabad Clock Tower Market, also known as the Clock Tower Bazaar, is a historic market located in the city of Faisalabad, Pakistan. It is known for its clock tower, which was built in the early 20th century and is a popular landmark in the city. The market is known for its wide variety of goods, including textiles, jewelry, and traditional crafts. The market is a popular destination for both locals and tourists and is considered an important cultural and economic center in the region.

Overall Assessment



<i>Bazaar Names</i>	<i>Products Offered</i>
<i>Rail Bazaar</i>	Gold, Cloth, and Currency Exchange
<i>Karkhana Bazaar</i>	Herbal Medicine, Cosmetics, and Sweets
<i>Montgomery Bazaar</i>	Yarn, Textiles, and Made-Ups
<i>Jhang Bazaar</i>	Fish, Meat, Fruits and Vegetables
<i>Bhawana Bazaar</i>	Electrical and Electronic Goods
<i>Aminpur Bazaar</i>	Stationery and interior décor
<i>Chiniot Bazaar</i>	Medicine, textile and feeds
<i>Katchery Bazaar</i>	Mobile phones, accessories etc.

Some of the major issues faced by the market are:

- Lack of proper parking facilities in the market
- No quality assurance/standardization mechanism for market products
- Lack of financial training of traders in the market
- No security company/malfunctioned cameras in the market

Trade Linkages and Significance

The Cloth Tower Market Faisalabad is one of the biggest wholesale markets in the region with international and national trade linkages. In terms of international trade, the market is known for exporting its products to other countries, particularly in the Middle East, South Asia and Europe. The market's textile products are particularly popular in these markets, and the market has established strong trade linkages with buyers and suppliers in these regions.

Locally, it serves as an important hub of trade and commerce in the city of Faisalabad, and many small and medium-sized businesses are based in the market.

Its significance comes from its wide variety of goods, including textiles, jewelry, and traditional crafts. The market is a popular destination for both locals and tourists and is known for its diverse range of products and services.

Faisalabad Jhang Road Motor Market

Jhang Road in Faisalabad, Pakistan, is home to a large wholesale market of electrical motors in the country. Herein exist some of the biggest importers of industrial machinery in the country. The market is locally known as the biggest electrical motor market in Asia, with wholesalers selling used and new industrial and domestic industrial motor products all over Pakistan.

Overall Assessment

Score Total Score



Bazaar Names	Products Offered
Motor Market Jhang Road	Metal Scrap, Wires/Cables, Used Motors, Motor Accessories, New Imported Textile-related motors

Major Issues

Some of the major issues faced by the market are:

- Lack of proper parking facilities in the market
- Uncontrolled horizontal expansion into nearby residential area creating accessibility problems.
- No vocational training institutes to train mechanics on repair work.
- Market has severe lack of accessibility for customers with poor WASH, poor SWM and lack of infrastructure such as streetlights and pedestrian networks.

Trade Linkages and Significance

The backward linkages of this market are all over the world. Electrical motor market primarily imports from countries like China, Japan, Germany, and the United States.

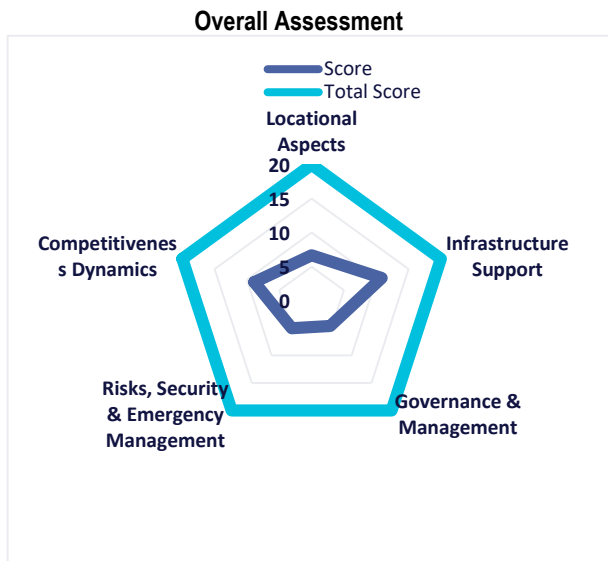
China is the largest supplier of electrical motors and other electrical equipment to the market. In addition to these countries, Pakistan also imports electrical motors and other electrical equipment from other countries like South Korea, Italy, France, and India.

Forward linkages of this market are in the manufacturing sector (mainly textile and other agricultural establishments). Other users of these machines include domestic users and small service sector businesses.

Being the largest supplier of the electrical motors in a region where there is a large industrial base, Jhang Road's motor market is a major stakeholder in the industrial development of Faisalabad.

Machine Market Bilal Ganj

Jhang Road in Faisalabad, Pakistan, is home to a large wholesale market of electrical motors in the country. Herein exist some of the biggest importers of industrial machinery in the country. The market is locally known as the biggest electrical motor market in Asia, with wholesalers selling used and new industrial and domestic industrial motor products all over Pakistan.



<i>Bazaar Names</i>	<i>Products Offered</i>
Machine Market Bilal Ganj	Metal Scrap, Wires/Cables, Used Motors, Motor Accessories, New Imported Textile-related motors

Major Issues

Some of the major issues faced by the market are:

- Lack of proper parking facilities in the market
- Uncontrolled horizontal expansion into nearby residential area creating accessibility problems.
- No vocational training institutes to train mechanics on repair work.
- Market has severe lack of accessibility for customers with poor WASH, poor SWM and lack of infrastructure such as streetlights and pedestrian networks.

Trade Linkages and Significance

The backward linkages of this market are all over the world. Electrical motor market primarily imports from countries like China, Japan, Germany, and the United States.

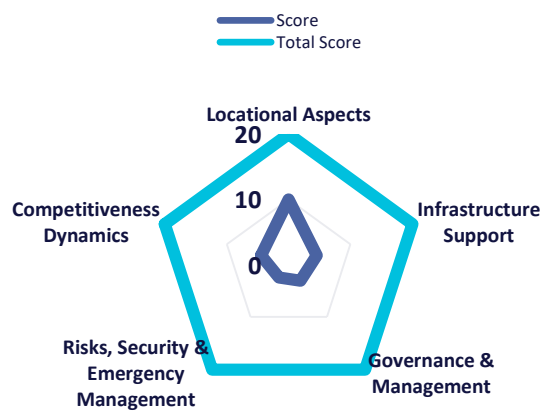
China is the largest supplier of electrical motors and other electrical equipment to the market. In addition to these countries, Pakistan also imports electrical motors and other electrical equipment from other countries like South Korea, Italy, France, and India.

Forward linkages of this market are in the manufacturing sector (mainly textile and other agricultural establishments). Other users of these machines include domestic users and small service sector businesses.

Faisalabad Samundri Road Market

Samundri Road Market is a big market on Samundri Road in Faisalabad, which hosts a lot of warehouses and godowns. These warehouses are used mostly for storing machinery, metal scrap, and other manufacturing related products, which are then sold off to the buyers regionally or put in showrooms situated on main Samundri road or Jhang road market.

Overall Assessment



Major Issues

Some of the major issues faced by the market are:

- A severe lack of unpaved roads and planning facilities
- Lack of proper dock for loading unloading of heavy machinery in the market
- No vocational training institutes to train people on repairing old machinery.
- No Large Assembly Bays/ for heavy machinery handling
- Market has severe lack of accessibility for customers with poor WASH, poor SWM and lack of infrastructure such as streetlights and pedestrian networks.
- There is a lack of security in the area considering the high value goods being stored in the warehouses in the area.

Trade Linkages and Significance

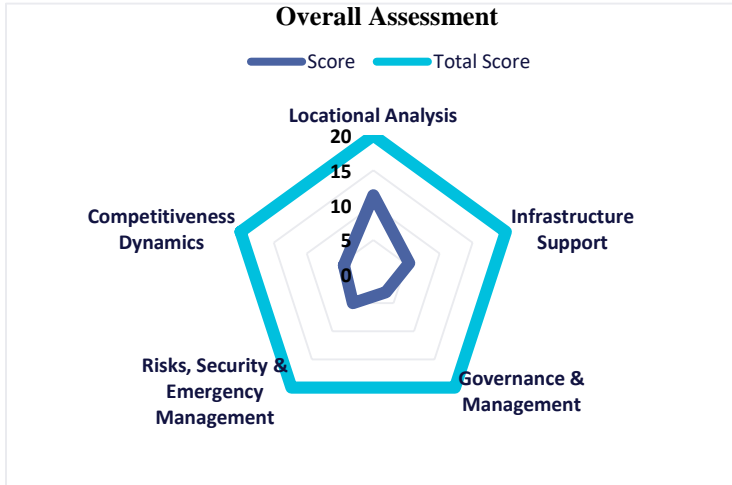
The backward linkages of this market are many. It imports scrap metal from various countries including the United States, the United Kingdom, Japan, Australia, and the United Arab Emirates. These countries, excluding UAE are sources of used machinery as well. (Source: Volza)

Forward linkages of this market are in the manufacturing sector (mainly textile and other agricultural establishments).

Other forward destinations of these machines include domestic users and small service sector businesses where these products are used in Pakistan.

Chiniot Furniture Market

Chiniot Furniture Market is a hub for traditional and modern wooden furniture located in the city of Chiniot, Pakistan. Known for its intricate carvings and beautiful designs, the furniture made in Chiniot has gained popularity both locally and internationally. The market offers a wide range of furniture items, including beds, wardrobes, dining tables, and more, made from high-quality wood such as Sheesham, Teak, and Mango. With its combination of traditional techniques and modern designs, Chiniot Furniture Market offers customers unique and stylish pieces for their homes.



Bazaar Names	Products Offered
Chiniot Furniture Market	Intricate Furniture, Decoration Pieces

Major Issues

Some of the major issues faced by the market are:

- Craftsmen still using traditional (low efficiency) methods in designing new furniture.
- Timber/Wood Market is too far (in Faisalabad), leading to increasing inefficiencies in the business.
- Lack of government support in the protection of the cultural heritage, or branding Chinioti Furniture as cultural economic output
- Lack of standardization of furniture quality in Chiniot, and missing quality assurance labs
- Accessibility to market hampered due to poor road infrastructure leading to market.

Trade Linkages and Significance

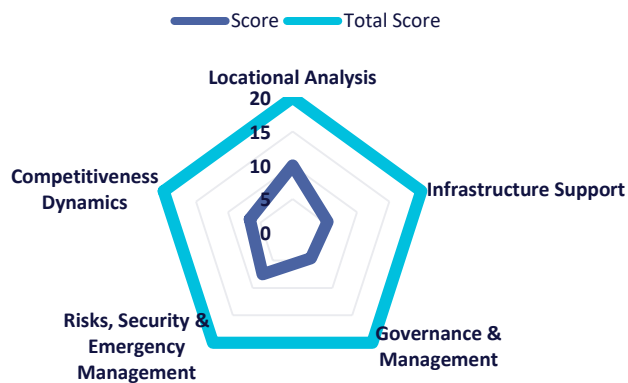
The backward linkages of this market include getting wood from timber markets in Toba Tek Singh/Faisalabad. Other Polish and Chemical material is imported from various countries, which craftsmen in Chiniot buy from major markets like Lahore/Faisalabad.

The Chiniot Furniture Market sells its furniture through various channels, including local dealers and exports to other countries.

Jhang Commercial Market

Jhang Circular Road Bazaar is a bustling marketplace located in the city of Jhang, Pakistan. It is known for its vibrant street vendors and diverse range of goods, including clothing, jewelry, electronics, and traditional handicrafts. The bazaar attracts both residents and tourists, providing a unique shopping experience and cultural insight into the city.

Overall Assessment



Bazaar Names	Products Offered
Main Jhang Bazar	Demand-based market serving local population
Jhang Saddar Bazar	

Major Issues

Some of the major issues faced by the market are:

- Lack of proper parking facilities in the market
- No quality assurance/standardization mechanism for market products
- Lack of financial training of traders in the market
- No security company/malfunctioned cameras in the market
- Pedestrianization of Bazaar is very low, leading to insertion of four-wheelers in narrow streets and causing traffic jams

Trade Linkages and Significance

The backward linkages of this market include a variety of sources. Some may import goods from other countries, while others may purchase from wholesalers or manufacturers in Faisalabad/Lahore.

The forward destination of this bazaar is the local population of Jhang and neighboring small tehsils.

This bazaar is significant in that it serves most of the daily buying needs of the local population.

Kamalia Commercial Market

Kamalia Commercial is a bustling marketplace located in the city of Kamalia, Pakistan. Kamalia Bazaar is known for its wholesalers of Yarn Khaddar, a high-quality fabric widely sought after by consumers all over the country. In addition to its thriving yarn industry, Kamalia also boasts a thriving poultry market, with dealers offering fresh and high-quality birds to customers in the region.

Overall Assessment



Bazaar Names	Products Offered
Khaddar Market Chichawatni Road (Iqbal Bazaar)	Khaddar Wholesalers serving entire Pakistan
Poultry Businesses on Toba-Chchawatni Road	Selling Eggs to the entire South/Central Punjab

Major Issues

Some of the major issues faced by the market are:

- Lack of proper parking facilities in the market
- No quality assurance/standardization mechanism for market products
- Lack of financial training of traders in the market
- No security company/malfunctioned cameras in the market
- Khaddar Market is on the main road, and no designated commercial area for the Khaddar Suppliers

Trade Linkages and Significance

The backward linkages of Khaddar market include a variety of sources. The thread is imported from different areas in Pakistan and then the production of the yarn is taking place in SME establishments in town.

The backward linkages of poultry are primarily local farms, which are high in number in the region.

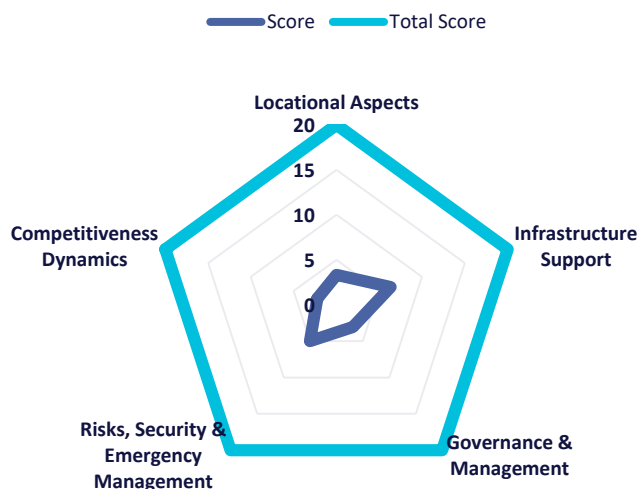
The forward destination of Khaddar Market is the entire country since they are all-weather products.

Forward Destination of Poultry Market is primarily Central and Southern Punjab.

Toba Tek Singh Commercial Market

Toba Tek Singh Main Bazaar is a bustling marketplace located in Toba Tek Singh. It is known for its vibrant street vendors and diverse range of goods, including clothing, jewelry, electronics, and traditional handicrafts. The bazaar mainly serves local residents with the demand-based items.

Overall Assessment



Trade Linkages and Significance

The backward linkages of Toba Tek Singh main bazaar include a variety of sources. The products of the bazaar are sourced from different wholesalers in nearby regions and big cities like Faisalabad.

The forward destination of this are the local population of the district and nearby tehsils. Forward Destination of Poultry Market is primarily Central and Southern Punjab.

Major Issues

Some of the major issues faced by the market are:

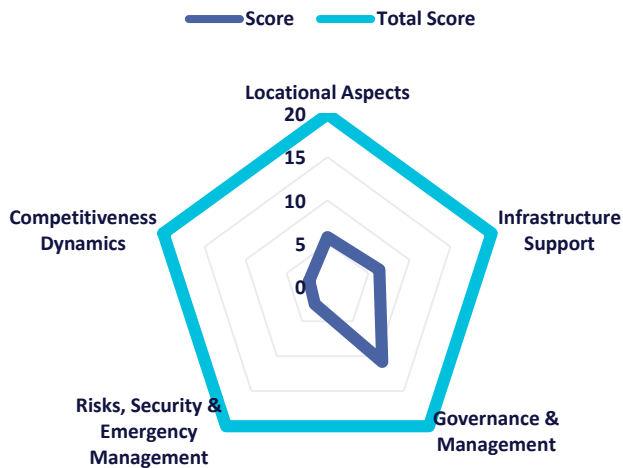
- No quality assurance/standardization mechanism for market products
- Lack of financial training of traders in the market
- No security company/malfunctioned cameras in the market
- No common service areas for women/children in the Bazaar
- Lack of heat resistant infrastructure such as market arcades etc.

Bazaar Names	Products Offered
Toba Tek Singh Main Bazaar	Demand-based Market offering everyday products

Sadhar Fruits and Vegetables Market

Sadhar Sabzi Mandi is the biggest fruit and vegetable wholesale market in the Faisalabad Region. Located in Sadhaar, this mandi serves mandis and fruit and vegetable vendors in the region. This mandi was planned in a way that it was moved out of the main Faisalabad city to provide easy accessibility to wholesalers and retailers in the market.

Overall Assessment



Major Issues

Some of the major issues faced by the market are:

- Lack of proper parking facilities in the market
- No quality assurance/standardization mechanism for market products
- Solid Waste Mechanism is lacking in the Mandi, in that there is lack of garbage disposal sites.
- There is a severe lack of regulation in terms of administrative tasks in mandi.
- No common service area for women/children in the area

Trade Linkages and Significance

Supply of raw materials (fruits and vegetables) from local farmers and wholesalers. Backward linkages come from around the country, and even neighboring countries.

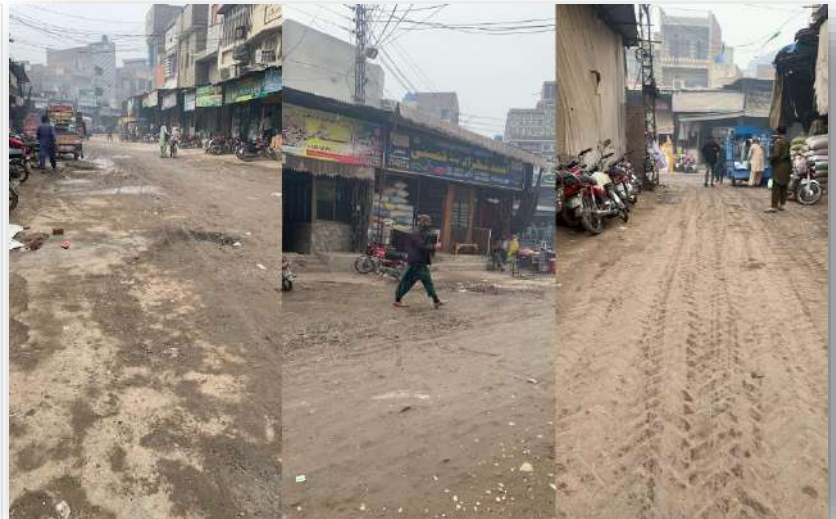
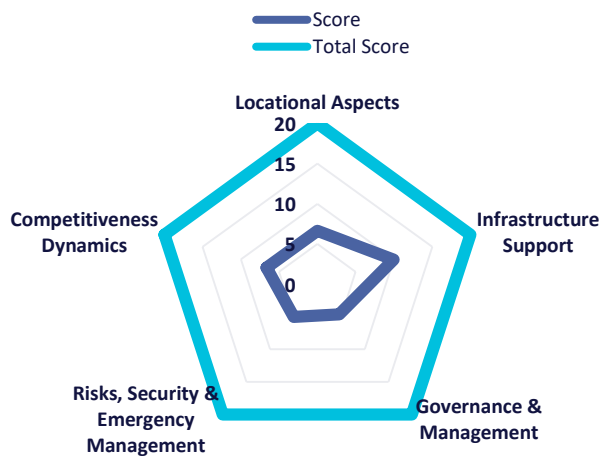
The destination of fruits and vegetables are the mandis and retailers in Faisalabad Division and neighboring regions like Sargodha etc.

Sadhaar is a planned mandi, and has recently been moved out of Urban Faisalabad, and it has led to increase accessibility for wholesalers from outside Faisalabad.

Grain Market Jhang Road

Faisalabad's grain market is a hub for the buying and selling of various types of grains such as wheat, rice, maize, and pulses. It plays a crucial role in the local and national economy, providing food supplies and generating employment opportunities for farmers, traders, and other related industries. The market operates through a network of wholesalers, retailers, and storage facilities, and is known for its competitive prices and efficient distribution system.

Overall Assessment



Major Issues:

Some of the major issues faced by the market are:

- No quality assurance/standardization mechanism for market products
- Solid Waste Mechanism is lacking in the Market, in that there is lack of garbage disposal sites.
- Mandi had no streetlights, and roads were unpaved.
- No common service area for women/children in the area

Trade Linkages and Significance

Supply of raw materials from local farmers and wholesalers. Backward linkages come from around the country, and even neighboring countries.

The destination of grain products are the mandis and retailers in Faisalabad Division and neighboring regions like Sargodha etc.

Grain Mandi is a planned mandi, and it has led to increase accessibility for wholesalers and traders from both outside and inside Faisalabad.

Faisalabad Future through Trade & Commerce Lens and Beyond

With the development of Faisalabad's industrial base, and the betterment of the backward-forward linkages of the division over time due to the increased infrastructural development, the trade and commerce sector is poised to grow over time. The purpose of this exercise, however, is to ensure a sustainable planned growth models prevails, allowing for the existing organic advantages to be augmented.

Regional Trade and Commerce

As the world becomes increasingly interconnected, Faisalabad Division's strategic location is likely to become even more valuable. The city is located at the crossroads of several major transportation routes, including highways, railways, and airways, which provide easy access to markets both within Pakistan and abroad. In addition, the government has invested heavily in improving infrastructure in the region, such as building new highways and airports, which will help facilitate trade and commerce in the future. These developments are likely to attract even more businesses to the area and further boost economic growth.

For one, the global textile market is expected to continue growing, providing ample opportunities for businesses in the region. Furthermore, the government's efforts to attract foreign investment and promote exports are likely to drive economic growth in the region, especially with the establishment of conducive environments for the development of the existing industry and attracting investments into similar areas. This includes steps like establishment of FIEDMC. Thus, Faisalabad's organically established comparative advantage in the textile industry and favorable business environment, Faisalabad Division is well-positioned to capitalize on these trends and become a major player in the global economy. However, Faisalabad Division's potential for growth is not limited to the textile industry alone. The region has a diverse economy, with strong agricultural and manufacturing sectors, and there is ample room for growth in other areas as well. For example, there are opportunities for businesses in the region to develop new products and technologies, such as biotechnology, pharmaceuticals, and renewable energy.

However, to ensure the long-term sustainability of these resources, it is crucial to plan for their development in a sustainable manner. This includes supporting and incentivizing businesses to innovate and adopt sustainable practices, as well as providing them with the necessary infrastructure to increase their efficiency. This includes intra and inter-district connectivity, increased governmental support at the source, promotion of indigenous industry, among other interventions. By doing so, not only can we ensure the continued growth of Faisalabad's economy, but also protect the environment and promote the well-being of the local community. A comprehensive approach that balances economic growth with environmental stewardship is necessary for a sustainable future of Faisalabad's organic advantages.

With all these factors in play, under right conditions, Faisalabad Division is well-positioned region of Punjab to become a key player in the national and international economy, especially as a center of trade and commerce in the years to come.

City-Level Future Goals

Other than the regional specialization of the Faisalabad region, the districts have over time developed their own organic niches. However, this has been largely unplanned, meaning that the development has largely been sporadic. This has created inefficiencies in the economic development of cities, meaning catchment areas and service areas and development sometimes at odds with each other.

By planning the respective cities, the exercise aims to ensure the augment the existing natural advantages to ensure existence of comparative advantage of the districts at regional, national, and international levels, while ensuring sustainable economic development.

Faisalabad Future

Faisalabad is poised to become a regional hub for trade and commerce due to its strategic location, infrastructure development, and thriving industrial sector. The district's proximity to major cities, including Lahore and Islamabad, makes it an ideal location for businesses to set up operations. Additionally, the completion of the M-4 motorway, which connects Faisalabad with the rest of the country, has greatly improved the district's connectivity with other regions.

This, coupled with the natural advantages Faisalabad has accrued over the last few decades with respect to industrial development in the district pave the way for Faisalabad's trade and commerce sector to flourish further. Some of the important market such as Motor Market Faisalabad, Faisalabad Clock Tower Market, Bilal Ganj Market Faisalabad, serve, and are served by the long established agricultural and ever-growing industrial base in the district.

Furthermore, support system in terms of modern infrastructure and industrial parks has attracted both domestic and foreign investors to Faisalabad. The government has taken several steps to promote business growth in the region, including the establishment of the Faisalabad Industrial Estate Development and Management Company (FIEDMC). The proposed M-3 Industrial City SEZ is the largest industrial estate of Pakistan launched as a landmark project to catalyze and support the development of the manufacturing sector through provision of long life world-class infrastructure superior commitment to quality and environment friendly estate management.

With further infrastructural and institutional support such as development of Lyallpur Centre for Economic Growth and Regional Prosperity (LCEGRP), Exposition Centers, Business Development Centers, and other proposed interventions in this exercise will augment the growth of Faisalabad's Trade and Commerce sector.

As a result, Faisalabad is likely to experience a surge in economic activity, which will create new employment opportunities and boost the standard of living for its residents. The district's skilled workforce and existing industrial base are also likely to attract new businesses, resulting in increased investment and growth. The proposed land use of Faisalabad by the Faisalabad Development authority till 2041, suggests that the commercial areas are spread across Faisalabad city and the expansion can be observed along with the major roads going out of Faisalabad into FDA controlled areas. The expansion is likely to evolve in a similar direction and likely to concentrate in the entire FDA controlled area later.

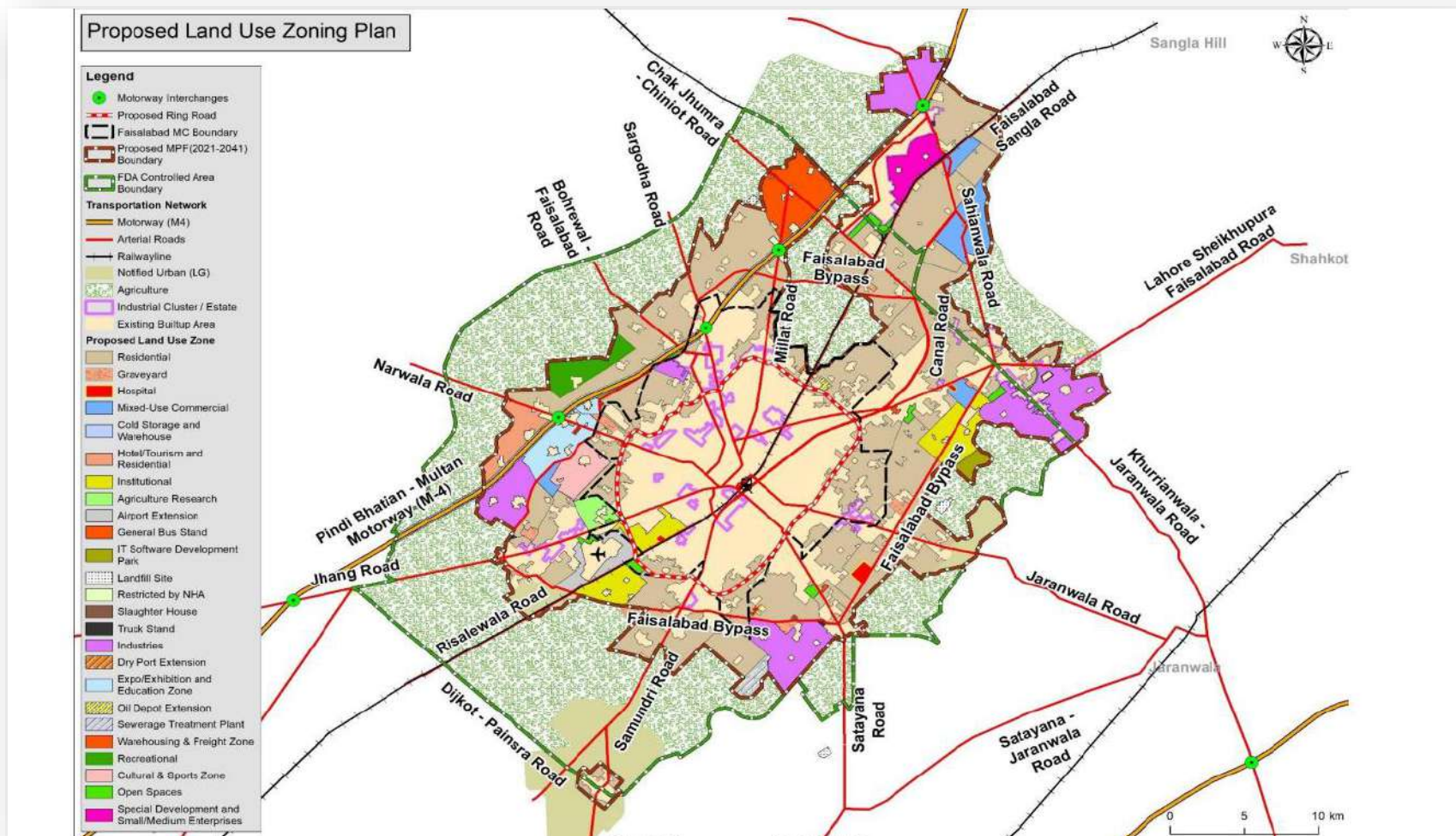


Figure 20 Proposed Land Use Plan of Faisalabad

Source: Faisalabad Master Plan 2021-2041

As established in the figure 11 above, and the district profile of Faisalabad, the majority, 37.4 of the workforce in the district works in the services sector.

As discussed above, services sector contributes the most to the economy, with 60% of the national GDP coming from this sector. Additionally, 37% of the workforce in the country is employed in the services sector. This trend is even more pronounced in urban areas like Punjab, where the services sector accounts for a large portion of the economy. For example, in Punjab, 35% of the services labor force contributes 58% of the state's GDP.

In Faisalabad city, the labor force and GDP shares are 53% and 70%, respectively¹⁸. This shows that despite Punjab being known for its textile industry, most of the employed labor force works in the services sector.

Chiniot

Chiniot District has the potential to become a regional hub for trade and commerce in the near future. The district is already famous for its furniture industry, which has gained recognition both nationally and continues to be recognized internationally as well. With the right interventions, the furniture market can become more modernized and streamlined, leading to an increase in exports and job opportunities for locals.

To achieve this, the consultant has proposed the establishment of a Chiniot Design Institute that will provide training and upskilling for carpenters with modern techniques and technologies. This initiative will not only enhance the quality of furniture produced but also help in developing new designs that can appeal to the global market.

The Chiniot Design Institute will also provide a platform for designers and artists to collaborate with the carpenters, which will lead to the creation of 37.unique, high-quality furniture designs. With the right investment in infrastructure and facilities, the district has the potential to attract both domestic and foreign investors who can establish furniture manufacturing plants, warehouses, and showrooms. This will lead to the development of a more ecosystem for the furniture industry, with better supply chains and logistics in place.

Another intervention that can help the furniture market in Chiniot grow is the establishment of trade fairs and exhibitions. For instance, the Milan Furniture Fair, Salone del Mobile, is one of the largest trade fairs in the world and attracts exhibitors and buyers from different countries.¹⁹ Such exhibitions provide a platform for local furniture manufacturers to showcase their products to potential buyers and establish business relationships with international clients. Establishing a similar exhibition in Chiniot can help local manufacturers to access the global market and establish new business relationships.

Finally, the government can provide financial incentives to local furniture manufacturers to promote their exports. For instance, in Turkey, the government provides subsidies to furniture manufacturers to cover their marketing and exhibition costs. This intervention has helped Turkish furniture manufacturers to increase their exports and establish new business relationships with

¹⁸ FDA Masterplan 2021-2041

¹⁹ "Salone del Mobile.Milano." Salone del Mobile.Milano, 2022, <https://www.salonemilano.it/en>.

international clients.²⁰ A similar approach can be adopted in Chiniot to provide financial incentives to local manufacturers to enhance their exports and access new markets.

Thus, the proposed interventions can help realize Chiniot District's future as a regional hub for trade and commerce hub, with comparative advantage in the furniture sector. market and improve the livelihoods of the locals.

Jhang

Jhang District, with its strong agricultural sector, has the potential to become a thriving services hub in the future. With the right interventions, the district can become more accessible and efficient in exporting its agricultural produce to other parts of the country and beyond. Currently, the district has limited infrastructure and services, which hinders its economic growth potential. However, with proper investment and planning, the district can become a major player in the services sector.

Improving accessibility through infrastructural investment is key to unlocking the services sector's potential in Jhang. This involves attracting investments in cold storages and Controlled Atmosphere (CA) stores for storing produce, which will help prolong the shelf life of agricultural produce and ensure that it remains fresh. Additionally, the provision of access to electricity in the area is crucial to ensuring that the storage facilities are functional and can operate efficiently. Such investments will not only enable farmers to have better access to markets but also ensure that consumers have access to fresh produce at all times.

The establishment of a thriving services sector in Jhang will create numerous job opportunities and support economic growth in the region. It will enable the district to diversify its economy, reduce its reliance on agriculture, and generate additional revenue streams. Additionally, the development of the services sector will enhance the district's livability by providing essential services to residents, such as healthcare, education, and banking services. Overall, a thriving services sector will improve the standard of living for people in Jhang and contribute to the district's economic growth.

Given the right incentives are provided and the growth is planned, Jhang District's services sector is poised to grow. The district's agricultural sector can be leveraged to attract investments in storage facilities, while access to electricity can ensure the facilities' efficient operation. A thriving services sector will generate numerous job opportunities, diversify the district's economy, and improve the standard of living for residents.

Toba Tek Singh

Toba Tek Singh District is also a predominantly an agricultural economy, with its most famous produce being Kinnow, which is exported regionally, and nationally. However, the district's services sector has the potential to grow, particularly in the tehsil of Kamalia, which is well known

²⁰ Bavbek, Özgür. "The Turkish Furniture Industry's Evolution and Innovation Roadmap." *European Journal of Innovation Management*, vol. 24, no. 4, 2021, pp. 705-722, <https://www.emerald.com/insight/content/doi/10.1108/EJIM-01-2020-0029/full/html>.

for its cottage power looms that produce Yarn Khaddar Shawl and its growing Egg and Dairy Industry. With the right interventions, the services sector in Kamalia, and the district at large, can become a major economic driver.

One way to stimulate growth in the services sector in Toba Tek Singh is through investment in cold storage and Controlled Atmosphere (CA) stores. These facilities can help prolong the shelf life of Kinnow and other agricultural produce, thereby ensuring that the produce remains fresh and accessible in national and international markets. In addition, the thriving egg business in Kamalia can be augmented through investments in CA stores, which will ensure that eggs remain fresh and of high quality, thereby increasing their value in the market.

The potential for growth in the services sector in Toba Tek Singh is significant, and the district can capitalize on its strengths to attract investment and create job opportunities. The Khaddar Market on Kamalya-Chichawatni Road needs to be regulated and incentivized so that the forward linkages for the products are strengthened. The production of Yarn Khaddar in Kamalia is a key strength that the district can leverage to create a niche market for itself. The sector has the potential to expand beyond national borders and become a significant player in the global market.

Toba Tek Singh's services sector has the potential to expand and create significant contributions to the regional economy. With investments in storage facilities and access to electricity, the district can expand the market for its agricultural produce and create additional revenue streams. The cottage power loom industry and egg business in Kamalia present significant opportunities for growth that can be augmented through the regulation of business to incentivize investment in the support infrastructure for the relevant sector. With the right interventions and policies, the services sector in Toba Tek Singh can become a major driver of economic growth and job creation.

Interventions

As a part of my intervention strategy, the consultant has focused on two types of support: policy and institutional support, and infrastructure support. The first type of support involves working with policymakers and institutions to develop policies and regulations that support the goals of the project. This includes advocating for changes in regulations that may be hindering progress, as well as supporting the development of new policies that are more conducive to achieving the desired outcomes.

The second type of support involves providing the necessary infrastructure to enable the successful implementation of the project. This may include the construction of new facilities, the upgrade of existing infrastructure, or the provision of equipment and materials needed to support the project's goals. By providing this type of support, we can ensure that the project has the physical resources it needs to succeed.

Policy and Institutional Support				
Area of Intervention	Duration Category	Intervention	Details/Project	Cost (Million PKR)
Developing Regional Comparative Advantage	Short-Term	Setting up regional, local offices, including SMEDA at cluster, PSW at city levels, NPO, PEECA etc	Regional/Local offices to be set up to increase Ease of Doing Business (EODB) in Faisalabad	90
	Short-Term	Introduce Projects under Entrepreneurship Skills and Business Development program in line with district specializations (textile, furniture)	Formation of a new authority to supervise projects such as: -Upskilling of Faisalabad Traders in e-commerce -Introduction of Chiniot Furniture Craftsmen to new technologies	400
	Short-Term	5 Coworking Spaces (2 in Faisalabad, and one each in other District)	Setting up Co-working spaces to allow hosting of start-ups small businesses	541.5

	Long-Term	Setting up Centre for Economic Growth and Regional Prosperity-PC-II	Feasibility of Setting up a CEGRP that provides Technical(RnD) support to the SME sector and Exporters in line with comparative advantage of the region	200 million
	Medium-Term	Establishment of Business Centers for Business engagement and enabling innovation	To set up a network of Livelihood Business Incubators (LBIs) and Technology Business Incubators (TBIs) with an aim to create jobs and reduce unemployment by promoting culture of entrepreneurship and innovation in the Agro-Semi Urban Spaces	1332.926
	Medium-Term	Setting up a Wood Bank in Chiniot	Supporting Local Businessmen in Faisalabad granting them access to affordable wood supplies	250
	Medium-Term	Introduction of Motor Mechanic Courses near Motor Market Faisalabad	Motor Mechanic Courses to be introduced under	25
	Medium-Term	Making Sure that Skills and Business Development Program Graduates are in touch with job-market	<ul style="list-style-type: none"> •Bringing the Older Batches up to date with market demands and new technologies in the market •Connecting them with job hunters and inviting them to job fairs 	30

	Medium-Term	Setting up Display Centers in Business Centers and Setting up new Expo Centres	<ul style="list-style-type: none"> •Dedicated Business Centres hosting major trade body offices •Display Centers to be set up at FCCI and FCSTSI featuring SME products •A big EXPO Centre in Faisalabad for hosting Exhibitions 	800
	Medium-Term	Feasibility of Chiniot as Furniture City	Conduct a Feasibility on Establishing Chiniot as Furniture City, and Developing it as a cultural furniture hub in the country	200
	Long-Term	Establishing a Chiniot Design Institute (enter detail)	Periodically train craftsmen of Chiniot on new technologies of furniture design including CNC machining and smart furniture	131
Strengthening of Trade Linkages	Short-Term	Awareness and infrastructure support for establishing international trade linkages	<ul style="list-style-type: none"> •To enhance the marketability of products and services from Faisalabad •To promote new market access initiatives, create awareness and educate the SMEs about various marketing relevant topics •To create more awareness about trade fairs, digital advertising, e-marketing, GST, GeM portal, public procurement policy and other related topics etc 	100

	Short-Term	Utilization of Export development fund for Ensuring Sustainability of trade	<p>Some Schemes:</p> <ul style="list-style-type: none"> •Export credit insurance for traders to incentivize Export •Trade Promotion of Faisalabad such as Conducting Expos in Faisalabad •Provision of machinery and Training of Chinioti Businessmen onto newer technologies 	800
	Long-Term	PC II on Establishment of a cargo terminal in M3 Industrial City/ Allama Iqbal Industrial City	Feasibility study of setting up a cargo terminal in new industrial cities to increase access to other markets from Faisalabad	150
	Medium-Term	Incentivize Setting up of Cold Storages and Controlled Atmospheric Stores to allow for increased tradability of agricultural produce (Jhang, Toba Tek Singh)	Provision of Favorable Financing Scheme on import of CS or CA Store related Machinery	400
	Medium-Term	Training and support to small and medium-sized enterprises (SMEs) to help them adopt e-commerce platforms and improve their online presence.	Entrepreneurship-cum-skill Development Programmes: Three weeks activity aimed at conducting special entrepreneurship development programmes	50
	Medium-Term	Accredited Testing Institutes to increase standardization and incentivize exports (Faisalabad and Chiniot)	<p>Accreditation and Testing Lab for Yarn in Faisalabad</p> <p>Accreditation and Testing Lab for Furniture and wood in Chiniot, respectively</p>	200

	Medium-Term	Revitalization of Faisalabad Dry Port	Develop Specialized Expertise Revitalize trade linkages by improving Rail Infrastructure Streamline the Clearance Process	500
	Long-Term	Setting Up Faisalabad Technology Park	<ul style="list-style-type: none"> • Setting up incubation and accelerators in Technology Park • Featured Auditoriums and Business Centers capable of hosting international tech events • Hold Technological Events and Establishing Display Centres 	1124

The other form, “Infrastructural Support” is given below.

Infrastructural Support Interventions				
Area of Intervention	Duration Category	Intervention	Details/Project	Cost (Million PKR)
Ensuring Intra and Inter-District Mobility	Short-Term	Building Intra-District Public Transport Infrastructure	<ul style="list-style-type: none"> • Regulation of Paratransit in Faisalabad • Introducing Public Transport Infrastructure such as Metro-Bus. 	
	Short-Term	Enable Inter-District Mobility	Revitalization and repair of highways connecting Chiniot	2000
Increasing Accessibility in Commercial Areas	Short-Term	Forbidding/Restricting four-wheelers' entry into the commercial areas except for specified times	Enforcement of set timing Rules with regards to loading/unloading goods in wholesale markets	20

	Short-Term	Vertical Parking Plazas in Markets to avoid congestion	<ul style="list-style-type: none"> •Do Traffic Surveys in major markets in the region •Construct Vertical Parking Plazas in all markets 	2000
	Short-Term	Setting up market layout maps for tourists visiting Clocktower market	Setting up proper signage and market maps in Local and English Language to ensure Street Guidance in Market	5
	Medium-Term	Pedestrianization of Bazaars with high foot traffic such as Clocktower Market and Jhang Saddar Bazaar	Pedestrianization of Clock-Tower Market including: Space for Having Rest Space for Walking Street Guidance Streetlights	500
	Medium-Term	Dedicated Assembly bays & On-Loading/Off-Loading Areas in wholesale markets (Machine Markets)	Construction of Assembly Areas in Wholesale Machine Markets in Faisalabad along with facilities ensuring Ease of Doing Business	150
	Medium-Term	Ensuring inclusivity via ensuring space for common areas and gendered restrooms in commercial areas in various markets	Construction of Gendered Rest Rooms in all Markets in the Division and Provide Open Spaces for Rest, communal Activities	100