Pakistan Telecommunication Corporation Limited. TIP began its production in 1954 with an annual capacity of 7000 sets and 7000 line units of F-1 Type Strowger system exchanges. Presently, TIP is manufacturing Automatic Public Exchanges (EMD System), Magneto Exchanges, Trunk Exchanges, Central Battery (CB) Exchanges, Private Automatic Branch Exchanges (PABX), Field Equipment, Digital Public Exchanges (EWSD), Mobile Exchanges (EMD type), Digital Mobile Exchanges, Telephone Sets, Teleprinters (Spares and Maintenance), Typewriters and Energy Meters.

Carrier Telephone Industries was incorporated as a private limited company in the public sector in April 1969. This company is a result of an agreement between the Government of Pakistan and Seimens A.G. of Germany. Their product range includes digital communication systems, and multiplexing equipment both for voice and data.

In the private sector, Alcatel and Ericsson are manufacturing PABX and other telecommunication equipment.

## Transportation

## **Opportunity**

Pakistan has an area exceeding 796 000 square kilometres with a population of approximately 135 million people, 12 to 15 percent of which are involved in this sector. The country has a road network of 207 339 km, a railway network of 8770 km, four operational ports (Karachi, Port Qasim, Gwadar and Pasni) and a network of 30 large and medium-sized airports, four of which have the capacity to handle international flights.

The intermodal split indicates a heavy dependency on road transportation. Almost 80 percent of the country's freight and passenger traffic is carried by road. The remainder is shared between railways and air, with air cargo representing less than one percent. The road network includes 6600 km of federally owned and maintained national highways. The remaining are provincial and district roads. The Asian Development Bank is assisting in the development of a network of farm-to-market roads.

Pakistan plans a major restructuring of its transportation infrastructure. The GOP, faced with resource constraints, has offered several incentives to encourage private sector involvement in the implementation of mass transit, civil aviation infrastructure, ports, trans-country roads, bridges, commodity cargo handling and movement, passenger and cargo operations by air, railways and river transportation. The majority of these projects are offered on a BOO or BOT basis.

Although not mandatory, it is extremely useful to identify and enter into arrangements with local partners or agents for the execution of large projects.

## **Business Environment**

The absence of a regulatory regime is cause for concern as the transportation sector is dominated by state organizations. The creation of separate operating agencies and regulatory bodies would be essential to the enhancement of investor confidence.