



# PAKISTAN HOTELS ASSOCIATION

(REGISTERED WITH THE MINISTRY OF COMMERCE, GOVERNMENT OF PAKISTAN)

PHA Activity Report to the Executive Committee and Members on matters taken up during December, 2015 to April, 2016 and various representation to attend meetings and seminars:

1. Karachi Marriott Hotel in PHA EC Meeting held on **29-12-2015** referred EOBI monthly contribution payment matter, which they were not paying as per advise of their Legal Consultants. Resultantly Show Cause Notices were served to KMH and PC Hotel and their workers could be denied of their benefits in consequence of default of payment from their employer. Other Member hotels were contacted to know whether they are making monthly EOBI contribution payment or not, who confirmed that they are regularly paying monthly contribution of EOBI to the federal institution and also confirmed disbursement of pension from EOBI to their eligible workers for the cases of 2015-15. This was communicated to both Karachi Marriott Hotel and PC Hotel, who later on informed that they have also started monthly payment too.
2. **February 08, 2016**, Mr. Aftab Rana, of **USAID Firms Project**, M/s. Tourism Development Specialist approached PHA requesting for letter of collaboration to work with M/s. Chemonics / USAID new project of Small and Medium Enterprise Activity (SMEA) in Pakistan for Hospitality and Tourism sector. Enclosed letter signed by the Chairman PHA was provided on these lines to support SME growth and entrepreneurship in Pakistan. The project proposal is under process and hope this project will be launched in August or September this year and more details would be shared, when received.
3. On **March 24, 2016**, **FPCCI** President and Mirza Ikhtiar Baig, Chairman FPCCI Standing Committee on Banking Credit and Finance invited all stake holders for an interactive session of business community with the Governor, State Bank of Pakistan and Presidents of Banks, whereby agenda items were discussed. Business community shared its grievances and concern on matters pertaining to private sector credit enhancement, SMEs sector and private sector representation on the Board of Governors of SBP. Meeting was attended by Anwar Qureshi and Fouzia Azhar. In presentation of FPCCI Standing Committee Chairman, PHA recent request letter to the SBP was also referred and matter taken up for the remittance and franchise fee from hotel chain affecting their working relationship with their principals.
4. **April 08, 2016 – Association Lahore based members** requested PHA to apprise Chief Minister Punjab about Hotels' business impaired due to Orange Line Project Construction and many small hotels are not able to run their business or facing low room occupancy due to not having access for their guests / customers. Mr. Khawja Mohammad Baksh of Lahore Hotel has been contacting Association for this issue and a letter from Chairman PHA addressed to the CM Punjab and copy to all concerned, has been provided to him and he has been requested to coordinate with Mr. Ali Zubair, Vice Chairman for this purpose.



5. **April 18, 2016** – A detailed report on Hotels improved business in daily DAWN has been published – on request of staff reporter of DAWN putting few questions related to room occupancy all over the country, impact of CPEC in luring foreigners in the country etc, same was circulated to major hotels for their feed back before answering his questions. On the basis of response from only three hotels, i.e. PC Karachi, Karachi Marriott Hotel and Avari Towers, a brief corresponding reply was provided and the same was published on April 18, 2016 per photo copy attached.

## 6. BUDGET & POLICY PROPOSALS SUBMITTED FROM PHA:

Following budget and sector specific proposals were submitted during the period December, 2015 to April, 2016. Each time, information is being circulated to all members of Association requesting them to provide their proposals and input related to hospitality industry, but very limited response is noted from members and we acknowledge with thanks their valuable suggestion and concrete input to make our presentation demonstrating real issues and proposed suggestions to redress the same.

- 6.A. **December 30, 2015** – PHA Proposal 2016-17 related to Sindh Sales on Services Act 2011 was submitted to the Assistant Commissioner (Tax Policy) Sindh Revenue Board incorporating input / suggestions from Pearl-Continental Hotel and Movenpick Hotel.
- 6.B. **February 18, 2016** – Upon invitation for proposals for Second Annual Meeting on Services Trade Development Council, Ministry of Commerce, Islamabad and FPCCI, PHA Sector specific proposal from the hospitality sector for the future performance was sent. A number of key factors were identified through this proposal for support and job creation in the section, i.e. Prices, Employment Costs, Material Costs, Property Cost & Status of Hotels / Tourism Project, Electricity Shortage and Import of Equipment as per copy attached. Mr. Zafar Iqbal, Managing Partner of Azimuddin Law Associates, introduced by Chairman PHA was also consulted while preparing the proposal on few points of prices, employment / material costs and property costs etc.
- 6.C. **March 02, 2016** – on requisition from FPCCI, PHA Proposal for Federal & Provincial Budget 2016-17 was submitted to FPCCI, Chairman FBR, all Chambers of Commerce, Punjab Revenue Authority, Sindh Revenue Board, and SMEDA. Hard copies of budget were submitted through courtesy of riders from PSL Islamabad, PC Lahore and PC Peshawar and soft copy of budget proposal were also sent to all addresses.



- 6.D. March 30, 2016** – On invitation letter from President, FPCCI requesting trade bodies to apprise them of the problems and issues related to trade and industry as FPCCI is undertaking a study on problems and issues being confronted both at procedural and policy levels to formulate recommendations for submission to the concerned quarters. A detailed presentation on issues / suggestions of hotel industry was prepared and submitted in consultation with Serena Hotels Group input on specific issues and suggestions for hotels all over Pakistan.
- 6.E. March 24, 2016** – On invitation from Chairman, FPCCI Standing Committee on Travel and Tourism 2016. Proposal from Pakistan Hotels Association was provided nominating Mr. Rehan Faiz Pirzada for the said Committee. Copy attached.

**7. SKILL DEVELOPMENT PROGRAMS FOR HOSPITALITY SECTOR THROUGH TECHNICAL & VOCATIONAL EDUCATION & TRAINING FOR EFFECTIVE LINKAGE WITH INDUSTRY:**

Since 2015, Pakistan Hotels Association has been approached by the consultant teams of European Union Delegation and British Council resulting consulting sessions with Hotel Industry. Both have been supporting Government of Pakistan for reforming technical and vocational education and training (TVET) sector requesting Hotel Association to enlighten the growth potential, employment size and occupation with higher existing and upcoming demand of the hospitality sector. Following meetings and sessions were held for this purpose:

**7.A. June 17, 2015** – PHA representatives meeting with **European Union Delegation** to Pakistan held at Karachi Marriott Hotel to share the possibility about upcoming European Union funded project on TVET Reform in Pakistan, request Association for their suggestion to assess possibility of Hotel Association support for future intervention. EU first planning document has been prepared for approval from their headquarters at Brussels. Once this gets approved, the EU will sign a financing agreement with the Government of Pakistan in 2016 for implementation to start from late 2016 for the five year phase to start from 2017-2022 for training program in various faculties including hotel industry.

**7.B. September 08, 2015** – PHA Executive Committee Members meeting with **British Council Representatives** for Skill Development Program, held at Ramada Plaza Karachi to enhance the skill set of hospitality industry professionals and to develop new training programs for the facilitation of students and employers involving STEVTA for the sector skills.

