



The Global Perspective of SEZs, EZs and EPZs: A Critical Evaluation of Regular Frameworks and Policies in the Context of KP

Dr. Azhar Khan^{a*}, Ismael Afzal^b, Dr. Rabia Naseer^c, Farah Nadir^d

^aProfessor, Institute of Social Policy and Research (ISPaR). ^aLecturer, Institute of Business Studies and Leadership, Abdul Wali Khan University, Mardan. ^cLecturer, Department of Management Sciences, Islamic College Peshawar. ^dAssociate Professor, GGDC Tarkha Nowshera.

*Email: azhar5896081@gmail.com

Abstract: Special Economic Zones (SEZs), Economic Zones (EZs), and Export Processing Zones (EPZs) all play a significant part in the growth story of rising nations. Economic growth is a complex process that involves the combination of a number of different elements. One of the primary objectives of this research is to identify potential roadblocks and places that need to be improved within the existing framework. The current study allowed KP to integrate its Special Economic Zones (SEZs), Economic Zones (EZs), and Economic Zones (EPZs) in a more efficient manner. In addition to this, the study is conducted an in-depth examination of Industrial Estate case studies and analyze the difficulties and opportunities that are faced by investors and firms that are operating within KP's zones. The study presented a suite of macro and micro policy suggestions to strengthen the legal and regulatory architecture attract investment, and fuel economic growth in KP. These recommendations are derived from the findings of these exhaustive studies. Despite the expansive nature of its reach, this study is not immune to the presence of restrictions. There are a number of potential obstacles that could be encountered when attempting to achieve unequivocal and comprehensive findings. These include the availability and dependability of data, the comparability of case studies, the scope of study, methodological obstacles, external influences, and scheduling constraints. These flaws, on the other hand, are also visible as openings for future research and possibilities for strengthening the robustness of economic analysis within the context of KP. In conclusion, a judicious blend of policy reform, resource optimization, local sourcing, and value chain integration can catalyst a significant transformation in Khyber Pakhtunkhwa industrial landscape. Emphasizing sustainable energy infrastructure, utilizing untapped natural resources like coal, copper, and gold, and promoting local industries through effective incentives and support are the crucial pillars that can uphold this transformative shift.

Keywords: Special Economic Zones, Economic Zones , and Export Processing Zones , Khyber Pakhtunkhwa

1. Introduction

The process of economic growth involves a combination of many elements, in which Special Economic Zones (SEZs), Economic Zones (EZs), and Export Processing Zones (EPZs) play a crucial part in the development of rising countries. These specific regions offer a fertile environment, including favorable legislation, advanced infrastructure, efficient administrative processes, and sometimes financial incentives, which efficiently attract investment, stimulate exports, and create job possibilities. Nevertheless, the level of success achieved by these zones varies greatly across the globe, mostly as a result of the interaction of many elements such as geographical

location, governance models, regulatory procedures, and overall macroeconomic conditions. Within the context of Pakistan's development narrative, the Khyber Pakhtunkhwa (KP) area presents itself as a compelling example for examining the effectiveness of Special Economic Zones (SEZs), Export Zones (EZs), and Export Processing Zones (EPZs) in driving economic progress. KP possesses abundant natural resources, a strategically desirable geographic location, and a vibrant, youthful population, making it highly promising for economic advancement. Ironically, this area has faced some obstacles in transforming these hidden qualities into measurable development, mainly because of its distant location from Pakistan's primary seaport in Karachi, a relatively new industrial environment compared to prosperous provinces like Punjab and Sindh, and a difficult security situation.

Furthermore, the current legislative and regulatory framework that governs these zones in KP has the potential to hinder their optimal functioning, therefore generating a cautious environment for potential investors. This research aims to analyze and evaluate the effectiveness of policies and regulatory frameworks related to SEZs, EZs, and EPZs worldwide. The goal is to identify the most suitable practices that can be customized to fit KP's unique environment. An intricate comprehension of the operational methods of these zones, their advantages and disadvantages, and their essential function in promoting economic progress could be crucial in devising a more prosperous path for KP. This investigation commences by thoroughly examining existing literature on Special Economic Zones (SEZs) and Export Processing Zones (EPZs), with a particular emphasis on their function in stimulating economic expansion and enticing investment to bolster economies, notably within the context of Pakistan. An analysis will be conducted to compare these zones in Pakistan with those in other countries. The aim is to identify the best practices and success factors that can help overcome obstacles in location and stimulate economic growth. This investigation will also entail a thorough analysis of KP's legislative and regulatory structure that regulates these zones, comparing them with similar frameworks from other regions within Pakistan and worldwide.

KP's voyage in the complex tapestry of economic development is undeniably arduous and protracted. However, with a sophisticated understanding of how Special Economic Zones (SEZs), Export Zones (EZs), and Export Processing Zones (EPZs) may be better interconnected, there is hope for faster advancement. We aim to contribute a helpful perspective to the complex issue at hand and encourage a discussion on how to maximize the utilization of these areas for the socio-economic development of KP and similar regions globally. This study aims to discover effective ways that can accelerate economic growth in the Khyber Pakhtunkhwa province. The text explores the complex issues caused by the province's unfavorable position, while also examining the possibilities of tax reduction policies and subsidies as powerful tools for transformation. This study aims to transform these obstacles into profitable opportunities for economic growth and prosperity.

2. Literature Review

Numerous academic articles, policy papers, and case studies have analyzed the role of Special Economic Zones (SEZs) and Economic Zones (EZs) in promoting economic development. This literature study will focus on the operational aspects and impact of special economic zones in developing countries, specifically in Pakistan and Khyber Pakhtunkhwa (KP). It will consider the important factors for success and the challenges associated with their implementation. Gaining a comprehensive grasp of the fundamental principles behind economic zones and special economic zones (SEZs) is the initial stage. Farole et al. (2011) state that the regulations governing business and commerce in these zones are distinct from the regulations that apply to the entire country. They are commonly utilized to entice foreign direct investment, enhance exports, provide job opportunities, and foster economic expansion. These zones provide numerous benefits, including investment incentives, streamlined customs procedures, enhanced infrastructure, and a more favorable regulatory environment.

The research has revealed crucial characteristics that contribute to success in various fields. Aggarwal (2010) identifies several crucial characteristics that lead to the establishment of special economic zones (SEZs), including government support, attractive incentive programs, strong infrastructure, a strategic location, and a stable regulatory environment. The results of a study conducted by Nigar et al. (2010) in Pakistan confirm this notion, indicating that these areas possess the capacity to foster economic expansion and progress under favourable circumstances, such as a conducive regulatory framework and governmental endorsement. The capacity of Special Economic Zones (SEZs) and Economic Zones (EZs) to serve as powerful catalysts for economic expansion has

been widely recognized for a considerable period of time. Wang's (2013) analysis asserts that China's special economic zones (SEZs) played a crucial role in the country's extraordinary economic achievements. Special Economic Zones (SEZs) have facilitated the attraction of foreign direct investment (FDI), the expansion of exports, and the generation of employment opportunities. Pakdeenurit et al. (2014) conducted a study on India's special economic zones (SEZs) and arrived at comparable findings. The writers emphasized the importance of these zones in facilitating India's industrialization, promoting export diversification, and fostering job creation.

While these zones offer certain benefits, research has also identified various difficulties. The creation and upkeep of special economic zones (SEZs), economic zones (EZs), and enterprise production zones (EPZs) require significant initial expenditures in infrastructure, effective administration, strong regulatory frameworks, and ongoing government assistance (FIAS, 2008). In addition, businesses must navigate the local sociopolitical constraints, the challenges of engaging in international commerce, and other disadvantages associated with remote locations such as KP, which are distant from major ports and urban hubs. Furthermore, research has demonstrated that not all zones achieve their objectives. Farole and Akinci's (2011) research reveals that zone failure frequently arises from suboptimal site selection, insufficient infrastructure, an overemphasis on tax incentives, and a failure to effectively integrate with local firms. It is important to note that these issues have primarily arisen in KP and other regions of Pakistan in connection with special economic zones (EZs), economic zones (EZs), and EPZs.

An instance that exemplifies these difficulties is the Gadoon Industrial Estate in KP. Despite the early success of the estate's generous incentives, it has subsequently faced various challenges due to its remote location, inadequate infrastructure, and the gradual erosion of its benefits. Based on the research conducted by Azam et al. (2011) and Zeng's (2011) research focuses on Special Economic Zones (SEZs) in landlocked nations, with Rwanda and the Lao People's Democratic Republic being the primary case studies. Like KP, these nations have successfully surmounted physical obstacles, including as remoteness, little infrastructure, and limited proximity to ports, to achieve notable accomplishments with their Special Economic Zones (SEZs). Zeng attributes these excellent outcomes to several variables, including a strategically advantageous central location that encouraged regional trade, robust government backing, competitive rewards, and efficient governance. Zeng (2011) investigates the presence of Special Economic Zones (SEZs) in the landlocked countries of Rwanda and the Lao People's Democratic Republic. Both of these countries face similar difficulties as KP, including as geographical seclusion, inadequate infrastructure, and restricted access to water resources. Despite facing hurdles, both Rwanda and Lao PDR have attracted significant investment in their special economic zones (SEZs). Zeng's research demonstrates that several prerequisites are necessary for such accomplishments to be attainable.

The dedication of these governments to the development and advancement of their Special Economic Zones (SEZs) is a critical determinant. By taking proactive measures to provide competitive incentives, such as tax reduction and expedited customs clearance, these governments successfully enticed potential investors. Furthermore, the management of the Special Economic Zones (SEZs) demonstrated a high level of professionalism and transparency, thereby facilitating the expansion of companies. Furthermore, via strategic utilization of their landlocked location to enhance regional trade, these nations effectively turned a potential drawback into a competitive edge. Furthermore, the World Bank (2016) conducts a valuable study on the growth of Moldovan economic zones. Notwithstanding its lack of access to the sea and considerable deficiencies in its infrastructure, Moldova derived substantial advantages from its economic zones. The country's remarkable economic growth was primarily driven by a robust institutional framework and a conducive business environment that effectively attracted investments. The study emphasized the need of regional collaboration in enhancing the attractiveness of the country's economic zones. Moldova was able to overcome its geographical isolation by establishing agreements with neighbouring economic blocs. In their study, Rodriguez-Pose et al. (2018) provide an alternative viewpoint on Special Economic Zones (SEZs) by examining their impacts in Uganda, Tanzania, and Kenya.

These countries, such as KP, suffer from significant deficiencies in their infrastructure and are located far away from global markets. They successfully surmounted these obstacles and transformed their Special Economic Zones (SEZs) into powerful catalysts for economic growth. Crucial elements in this context were intentional government measures and endeavors to enhance both physical and digital connectedness. In order to ensure equitable distribution of the benefits of Special Economic Zones (SEZs) and their contribution to overall economic growth, it was crucial to actively pursue the establishment of productive connections with the local economy.

To summarize, the Western region of China's experience provides a valuable basis for comparison. Wang (2019) observes that China successfully addressed the economic inequality between its affluent coastal regions and less prosperous western regions by implementing special economic zones (SEZs) as a means to stimulate development. The crucial factors contributing to this tale of triumph were the resolute political determination of the Chinese government, the inventive policies implemented within the SEZs, and the government's persistent efforts to advance infrastructure development. The Chinese experience was highly relevant to KP due to the fact that, despite Western China not being geographically disadvantaged, the region's economic underdevelopment presented comparable challenges.

The comprehensive data offered by these studies as a whole can assist in making decisions on SEZs, EZs, and EPZs in KP. Specifically, they emphasize that a cooperative government, resilient infrastructure, efficient governance, and intentional regional integration are essential elements in surmounting geographical and infrastructural limitations. The case studies can help KP improve the effectiveness of its export processing zones (EPZs), enterprise zones (EZs), and special economic zones (SEZs), but each one represents a distinct scenario. Additionally, the existing body of literature on special economic zones (SEZs), economic zones (EZs), and EPZs contains a vast amount of material that can have a significant impact on future policy and practice. Furthermore, it emphasizes the significance of carrying out further research, particularly in regions like KP, to acquire a more comprehensive understanding of how these zones may be leveraged to promote economic growth and development. This study aims to contribute to the continuing discourse on special economic zones (SEZs), economic zones (EZs), and environmental protection zones (EPZs) in KP and beyond.

3. Research Methodology

The research methodology of this academic investigation adopted a qualitative approach, specifically focusing on a triadic case study model. This scholarly approach facilitated a detailed understanding of complex phenomena within their specific context, allowing for the analysis of each Special Economic Zone (SEZ) and Industrial Estate to identify distinct factors and underlying causes that determine their success or lack thereof.

3.1 Case Studies

The case studies were carefully selected based on their ability to provide valuable and informative insights that can benefit the socio-economic environment of Khyber Pakhtunkhwa (KP). These cases encompassed various regions in Pakistan and other developing countries facing similar challenges related to location and infrastructure. For example, the Gadoon Amazai Industrial Estate in KP was given special investigation attention due to its distinctive pattern of growth followed by decline.

3.2 Information Dissemination

In lieu of conventional data collection, this scholarly discourse was predicated on the intricate portrayal and meticulous dissection of the chosen case studies. The case narratives were exhaustively probed, and germane facets encompassing their legislative and regulatory matrices, infrastructural evolution, capital allocation patterns, job genesis, industrial yield, and export performance were explicated and deliberated upon.

3.3 Examination and Counsel

Instead of using typical data analytics, the investigative approach used here relied on a detailed analysis of the presented case studies and extraction of important elements that may guide KP's strategic plan. The unique and common characteristics, along with the successful achievements and challenges faced by the case studies, were used to formulate specific recommendations for improving KP's socio-economic landscape.

3.4 Verification

Although this scholarly endeavor did not incorporate customary validation mechanisms such as data triangulation, the ensuing conclusions were drawn from rigorously documented case studies. Furthermore, the proffered advisories were meticulously tailored to accommodate the unique socio-economic context and challenges endemic to the KP province.

3.5 Adherence to Ethical Principles

This research adhered to a rigorous norm of ethical integrity. Since the research used pre-existing case studies that were already available to the public, there were no problems over obtaining informed permission or maintaining anonymity. However, the maintenance of intellectual integrity was carefully ensured by properly acknowledging all sources that were used.

4. Analyzing Special Economic Zone Framework in Pakistan

Prior to examining the specific case studies, it is essential to get a comprehensive comprehension of the Special Economic Zone (SEZ) framework in Pakistan. The case studies must be viewed within the context of the dynamics, mechanisms, and potential obstacles related to SEZs. The SEZ framework reveals the strategic foundations of economic development projects and the obstacles that may arise, thus impacting the outcome in these situations. Thus, possessing a strong understanding of this framework improves the accuracy and thoroughness of the future study of the case studies.

The SEZ Act of 2012, approved by Pakistan's National Assembly, established the fundamental framework for the functioning of SEZs. The Act was a deliberate and tactical measure aimed at addressing the underlying problems that led to the decline of major industrial estates, such as the Gadoon Industrial Estate. Moreover, its objective was to cultivate a favourable environment for investment in Pakistan. Upon the enactment of the Act, the SEZ Authority was established with the primary responsibility of overseeing and directing the functioning of SEZs. This includes managing utility connections, developing infrastructure, and providing security services to investors.

The Act also introduced a range of financial benefits, such as tax breaks and exemptions from import taxes, with the aim of making investment in SEZs more appealing and stimulating industrial development in the country. The introduction of the One-Stop-Shop, which aims to simplify the investment process and minimize bureaucratic hurdles, was another crucial element of the Act. Although these traits show promise, it is important to remember that as of the time of writing this article, there are no fully operational Special Economic Zones (SEZs) in Pakistan. However, there are various obstacles that could impede the success of the Special Economic Zones (SEZs). An absence of a clear and cohesive legislative framework for several economic zones can cause confusion among investors and create competition amongst zones, which ultimately limits their maximum potential. The One-Stop-Shop concept faces challenges with the lack of efficiency in policy integration among several institutions, despite its potential.

Moreover, socioeconomic obstacles such as energy deficiencies and frequent shifts in government could significantly influence the performance of Special Economic Zones (SEZs). Notwithstanding these challenges, Special Economic Zones (SEZs) in Pakistan exhibit encouraging indications of expansion, characterized by swift rates of establishment and a growing attraction for Chinese businesses to invest in the area.

4.1 Tangier Free Zone (TFZ)

Situated at the intersection of Africa and Europe, Morocco has strategically used its distinctive geographical and industrial benefits to spearhead the establishment of Special Economic Zones (SEZs) in Africa. Out of all these, the Tangier Free Zone (TFZ) is particularly notable as a demonstration of the significant impact that carefully designed Special Economic Zones (SEZs) may have. Despite encountering substantial challenges, the TFZ has successfully stimulated economic diversification, accelerated industrial expansion, and positioned Morocco as a prominent worldwide economic participant. This extensive case study examines the initial obstacles, strategic remedies, and later achievements of the TFZ, providing a detailed analysis that could serve as a useful model for future SEZ developments in Africa and other regions.

4.2.1 Geographical Context and Initial Challenges: Infrastructural Hurdles

Situated on the northernmost border of Morocco, the TFZ benefits from its strategic position but also faces the issue of being isolated. Situated away from the bustling economic centres of Morocco, namely Casablanca and Rabat, the TFZ is strategically positioned between Europe and Africa, serving as a gateway to expansive markets on both continents. However, this advantageous position was not without its problems. The investments and plans

required to enhance the infrastructure were mostly the largest ones. As a result of its isolated position, the TFZ first became disconnected from the country's main production networks and supply chains. The problem was worsened by the region's insufficient transport and logistics infrastructure. The existing road and rail networks did not have sufficient capacity to accommodate the anticipated volume of heavy goods traffic in the free-trade zone. Inadequate links to the interior and other Moroccan cities exacerbated transportation issues, hindering the free movement of commodities within the country. This information is sourced from (Yassine, 2013). Despite its handy location, the port's infrastructure was ill-equipped to handle the unforeseen surge in freight volumes resulting from the launch of the TFZ. The port's infrastructure was crucial in enabling the efficient handling, processing, and transportation of goods as a significant maritime route connecting two continents. Nevertheless, the lack of advanced cargo-handling equipment and procedures at the beginning, along with the very large volume of freight, led to significant delays and prolonged delivery times for companies operating in the area (Yassine, 2013).

4.2.2 Overcoming Logistical Constraints

The early growth of the TFZ was hindered by various infrastructural and logistical challenges. Due to the close proximity of the free zone to the bustling city of Tangier, the already strained transportation networks of the city were rapidly inundated by the sudden increase in the volume of goods being transported. The port's operational efficiency experienced a significant decline, resulting in large delays in the shipment of products due to congestion. The initial underestimation of infrastructure requirements resulted in insufficient road and rail connectivity, impeding the smooth transportation of products. The TFZ's ambitious economic goals necessitated the rapid development of infrastructure to address these difficulties.

4.2.3 Road, Rail, and Port Infrastructure Development

In recognition of the necessity for efficient transportation infrastructure inside a free-trade zone, Moroccan authorities have undertaken initiatives to enhance the country's ports, rail networks, and roadways. Initially, the success of the TFZ was jeopardized by an inadequate connectivity, leading to operational inefficiencies and increased expenses. The Moroccan government and private enterprises provided funds for the construction of a logistical free zone, a container port, and an industrial park. In addition, they enhanced regional connectivity by investment in a high-speed rail network linking Tangier with other prominent urban centers in Morocco (Zemni and Bogaert, 2011). The development of the TFZ may be directly traced to the unwavering commitment invested in enhancing the transportation infrastructure in that area. Upon its completion, the cargo port underwent a comparable metamorphosis. The port's advantageous geographical position as a gateway for global trade facilitated the efficient and systematic handling of substantial cargo volumes. The port's upgraded infrastructure facilitated streamlined processes for loading, unloading, and storage, resulting in decreased operational delays. Furthermore, the creation of a logistics free zone has opened up unparalleled opportunities for commercial firms. By utilizing this zone, they managed to evade tax payments on stored commodities, efficiently organize shipping, and optimize logistical operations. Consequently, this streamlined the logistical processes by reducing the documentation and expenses typically associated with global commerce (Belkheiri's, 2020).

4.2.4 Addressing Human Capital and Skill Deficit

An educated and skilled workforce is essential for the progress of any free trade zone. At first, the TFZ faced a shortage of individuals who were skilled in logistics and supply chain management. The insufficiency of human resources caused communication and productivity interruptions in the workplace. The Moroccan government and TFZ officials acknowledged the need of a proficient workforce for the progress of the zone, therefore committing significant financial resources towards education and training efforts (Zemni, et al., 2011). The TFZ's enduring success can be traced to its strategic plan's focus on ensuring a consistent influx of highly skilled personnel.

4.2.5 Overcoming Regulatory and Customs Hurdles: Streamlining for Efficiency

The intricate endeavor of establishing a free-trade zone, encompassing all its accompanying customs procedures and regulatory structures, should not be underestimated. The TFZ was not exempt from this principle. Initially, customs procedures were intricate, requiring a significant amount of time and burdened with bureaucratic

formalities for enterprises. The impediments hindered the movement of goods and deterred enterprises from establishing operations in the TFZ. Another challenge that these companies had to surmount was the intricate nature of the regulatory framework. Complying with all the laws and regulations posed a significant operating burden. Consequently, occasional misunderstandings and miscommunications arose, impeding the overall efficacy of the zone and jeopardizing its appeal to international investors.

To address these challenges, the Moroccan government initiated significant measures to modernize its customs and regulatory procedures. The introduction of 'one-stop shop' facilities has significantly transformed the process by which enterprises obtain essential rights and licenses. These facilities offer a consolidated and centralized place for companies to complete these tasks, resulting in a more efficient and streamlined approach. (Belkheiri, 2020) The simplified customs operations and clearer regulatory rules of the TFZ led to a decrease in bottlenecks and an enhancement in operating efficiency. The proactive approach used by Moroccan authorities towards these challenges can be credited for the decrease in barriers and the general enhancement of the TFZ's appeal to foreign firms.

4.3 A Look Back at Khyber Pakhtunkhwa

The Tangier Free Zone (TFZ) in Morocco offers valuable insights and lessons for regions globally that aim to foster economic growth by establishing industrial estates. The Khyber Pakhtunkhwa (KP) province in Pakistan, which is keen to exploit its potential and modernize its industrial estates, can benefit from the TFZ's experience and apply various tactics. An important lesson learned from the TFZ experience relates to the improvement of physical infrastructure. Similar to the early phases of TFZ, KP's industrial estates have challenges linked to infrastructure, including deficiencies in transportation, warehousing, and storage capabilities. It is essential to tackle these infrastructure obstacles in order to improve the operating efficiency and ensure the success of KP's industrial estates. By adhering to the TFZ model, KP may provide priority to infrastructural development, with a specific focus on the construction and enhancement of road and rail networks to ensure smooth transit. The establishment of contemporary warehousing and storage infrastructure will guarantee effective inventory control, hence enhancing the seamless functioning of the logistics network.

The TFZ case highlights the importance of tackling deficiencies in human resources and skills. KP is currently facing a dilemma due to the initial deficiency in logistics and supply chain management competence in TFZ. One potential solution to this issue could be the introduction of comprehensive training and educational initiatives specifically designed to provide the workforce with essential industrial skills, similar to the approach taken by Morocco in the TFZ. By implementing this, there will be a consistent supply of skilled workforce, which will ultimately enhance the sustained prosperity of KP's industrial zones. Successfully navigating through regulatory and customs obstacles was another crucial factor in the triumph of TFZ. Enterprises operating in KP's industrial estates are expected to face comparable obstacles related to intricate customs procedures and a complicated regulatory framework. By adopting the TFZ model, KP may streamline customs operations and offer clear regulatory guidance to minimize obstacles and enhance operational efficiency.

Furthermore, TFZ's strategic approach of prioritizing businesses in which Morocco possessed a comparative advantage, rather than immediately pursuing high-tech sectors, presents an important lesson for KP. One can make better use of KP's current industrial strengths and its geographical location by taking the time to learn about them. KP can foster sustainable economic expansion and progress by focusing on its inherent strengths in crucial industries. Ultimately, KP has the potential to gain valuable insights from TFZ's approach to attracting investors. The success of the TFZ can be attributed not just financial incentives, but also to the general improvement of service delivery and infrastructure within the SEZ. Instead than primarily relying on monetary incentives, KP might take inspiration from TFZ's approach and prioritize enhancing the business environment and the quality of service provision. KP can enhance the appeal of its industrial estates to prospective investors by optimizing the area's business-friendly environment.

The insights gained from the Tangier Free Zone can be utilized as a strategic blueprint for the development of industrial estates in Khyber Pakhtunkhwa. KP has the potential to transform its industrial estates into thriving economic zones by using TFZ's approach of enhancing infrastructure, upgrading human resources, simplifying regulations, capitalizing on competitive advantages, and improving service delivery quality. Thanks to these

initiatives, KP is strategically positioned to stimulate economic growth, attract investment, and drive the province's industrial development.

4.4 Case Study: Hawassa Industrial Park, Ethiopia

The establishment of industrial parks, such as the renowned Hawassa Industrial Park (HIP), has significantly facilitated the development of the Ethiopian economy and the influx of Foreign Direct Investments (FDIs). The success of the parks has relied on their capacity to surmount significant challenges. Ethiopia's industrial parks faced a substantial challenge due to the scarcity of skilled labour. Despite investments in education and technical training, there existed a disparity in skills between the firms in the parks and the local labour force. To address this issue, the government and park administration have implemented various steps. They collaborated with TVET providers to design courses specifically aimed at equipping individuals with the necessary technical skills required to perform their job tasks. These courses facilitated the bridging of the skills gap among personnel in the industrial parks, enabling them to meet the requirements of their new fields. Inside the parks, a range of skill-enhancing programs have been introduced, such as on-the-job training, workshops, and seminars conducted by experienced professionals from other countries. Other aims included the transfer of knowledge, switching of technology, and development of local worker capability. Consequently, external technical support was sought (Negesa, 2020).

The functionality and competitiveness of industrial parks in Ethiopia were hindered by insufficient infrastructure and logistics. Various measures were implemented to tackle these challenges. The government and park management organizations placed a high priority on building integrated infrastructure both within and outside of industrial parks. Infrastructure projects encompassed the construction of roads, bridges, power plants, water systems, and phone lines. The implementation of these infrastructure improvements resolved logistical challenges and enhanced operational efficiency by ensuring a seamless and uninterrupted delivery of goods and services. Furthermore, efforts were made to improve logistical support through the modernization of port facilities, streamlining customs procedures, and establishing dependable transportation networks (Gebremariam, 2019). These modifications were implemented to enhance inventory management, reduce shipping costs, and decrease wait times. The provision of logistics services within the industrial parks has been established and is overseen through collaborations with private sector companies, both domestically and internationally. Through this relationship, the researcher has successfully delivered reliable logistics services encompassing warehousing, shipping, and customs clearance.

Ethiopia's industrial parks faced a significant challenge due to their heavy dependence on imported raw materials. Multiple strategies were implemented to reduce this dependence and promote the substitution of imports. Local suppliers actively pursued the firms in the industrial parks, offering them raw materials and intermediary items. Regional suppliers were provided with incentives and support to enhance their capability, standards of excellence, and competitiveness. The government and park administration also allocate funds to support secondary industries that can use the availability of natural resources generated within the park. The allocation of these monies facilitated the growth of local enterprises by establishing an internal supply chain within the parks, thereby reducing the reliance on imported goods. Newman (2017) elucidates that forging alliances with global enterprises and academic institutions has facilitated the exchange of technological knowledge and fostered research synergies. These relationships led to a decrease in dependence on imported raw materials, while also promoting innovation, product development, and the utilization of local resources.

The management and coordination of industrial parks in Ethiopia encountered challenges stemming from a deficiency of institutional and administrative capacity. Various strategies were implemented to address these concerns. Officials, administrators, and personnel responsible for managing the park underwent training in many areas such as project management, investment promotion, regulatory compliance, and business facilitation. The purpose of this training was to enhance their proficiency and effectiveness in fulfilling their respective duties. The training sessions improved the management and coordination of industrial parks by strengthening institutional capacity.

The researchers Guteta, et al. (2020) integrated one-stop service centres that offer simple and streamlined assistance to businesses and investors. These hubs served as a centralized centre for many forms of administration and regulation, optimizing procedures and reducing bureaucratic obstacles. In addition, there was a strong emphasis on

fostering tight collaboration among park management authorities, government agencies, local communities, and investors. Guteta et al. (2022) implemented stakeholder involvement, consultation, and feedback systems to effectively address complaints, expedite processes, and foster a favourable business climate.

HIP, situated in the southern region of Ethiopia, initially had obstacles associated with its remote location from prominent ports and transportation centers. This posed logistical obstacles and amplified transportation expenses for both the importation of raw materials and the exportation of finished products. Nevertheless, strategic methods were adopted to overcome these geographical drawbacks.

The government and park authorities allocated funds towards the improvement of infrastructure, such as road networks and transportation systems, with the aim of enhancing connectivity. The implementation and enhancement of road infrastructure linking HIP with prominent expressways, harbors, and air terminals have enhanced ease of access and diminished transportation expenses. Furthermore, HIP collaborated closely with logistics service providers to optimize efficiency. These collaborations facilitated the eradication of inefficiencies in the supply chain through the consolidation of shipments and the utilization of economies of scale (Gebremariam et al., 2019). The Ethiopian government provided tax discounts, duty exemptions, and other financial incentives in order to attract investors to HIP. The government's endeavors to stimulate investment and alleviate the repercussions of the region's geographical drawbacks had positive results. In order to enhance the competitiveness of industrial parks such as HIP, the government actively pursued trade agreements and explored opportunities for market access. These agreements facilitated favorable trade circumstances, enabling park businesses to enter new markets and reducing trade barriers.

The triumph of Hawassa Industrial Park and comparable parks in Ethiopia highlights the need of adjusting to novel conditions to propel the nation's economy forward. Industrial parks in Ethiopia have successfully overcome challenges by addressing the scarcity of skilled workers, improving infrastructure and logistics, promoting local procurement and technology transfer, enhancing institutional and administrative capabilities, and effectively managing geographical disadvantages. These instances emphasize the necessity for comprehensive regulations and targeted interventions in order to facilitate the future development of industrial parks, enabling them to fully realize their potential and advance the nation's industrial sector. The success of HIP in attracting foreign direct investment (FDI) and creating employment is evidence that these strategies are effective and can serve as a blueprint for the future of industrial park development in Ethiopia.

4.5 A Look Back at Khyber Pakhtunkhwa

The Hawassa Industrial Park (HIP) in Ethiopia has emerged as a shining example for places globally seeking to enhance their economic growth means of industrialization. The Khyber Pakhtunkhwa (KP) province in Pakistan, which aims to by maximize its potential by developing and transforming its industrial estates, can learn valuable lessons from the experience of HIP. An important lesson from the HIP case study is the need to tackle the scarcity of trained personnel. KP, similar to Ethiopia, struggles with this problem, especially in the industrial sector. The measures implemented by HIP to close this disparity can be replicated in KP. Forging alliances with nearby educational institutions to provide customized training programs that cater to the specific industrial requirements of the province has the potential to greatly boost the workforce's skill set. In addition to the continuous implementation of skill development programs in industrial estates, this approach would help to provide the labor force with the essential competence required to meet the requirements of the industrial sector.

An important lesson from HIP's story is the requirement for robust infrastructure and efficient logistics. The implementation of infrastructure enhancements and the optimization of logistical procedures would significantly enhance the efficiency and competitiveness of KP's industrial estates. To ensure a seamless movement of goods and services, KP can prioritize the construction of extensive infrastructure such as roads, bridges, and telecommunication networks. Additionally, upgrading ports and simplifying customs procedures would greatly enhance the industrial sector in the region. Moreover, KP's industrial sector may greatly benefit from adopting HIP's approach to diminishing dependence on imported raw materials. Promoting economic resilience and self-sufficiency can be accomplished by incentivizing local suppliers to produce and transport raw materials and partially processed goods for businesses inside the estates. Accelerating the promotion of domestic manufacturing and reducing the need for imported goods can be achieved by implementing incentives and offering support to

enhance the competitiveness of local providers. Simultaneously, promoting technology transfer and research partnerships with international corporations and academic institutions can stimulate innovation and enhance the efficient usage of locally accessible resources.

Managing and organizing industrial estates face substantial obstacles due to institutional and administrative challenges. KP can gain valuable insights from the approach used by HIP in tackling these difficulties, which involved improving the competencies of its park management officers and administrators through specialized training initiatives. Implementing these programs, together with the creation of centralized service centers, has the potential to greatly enhance the overall administration and organization inside KP's industrial estates. Although HIP is situated far from prominent ports and transportation centers, strategic efforts were implemented to mitigate these geographical drawbacks. To optimize KP's industrial estates, it is imperative to enhance connectivity by improving road networks and transportation systems. This will lead to a reduction in transportation costs and facilitate investment attraction. The government can foster a conducive business climate by offering incentives such as tax advantages and exemptions from duties to counterbalance any drawbacks in terms of location and stimulate investment.

The HIP instance also underscores the significance of taking proactive steps to tackle issues pertaining to the recruitment and retention of highly skilled individuals, social discontent, and environmental concerns. KP can derive insights from this encounter by employing tactics such as erecting dorms for employees, offering transportation services, and allocating resources to local labor development. Ultimately, the triumph of Hawassa Industrial Park underscores the need of employing a methodical approach to transforming challenges into advantageous circumstances, so providing compelling evidence for the expansion of industrial development. The Khyber Pakhtunkhwa province can enhance the growth and development of its industrial estates by implementing these techniques. By implementing effective skills development, establishing robust infrastructure and logistics, promoting local sourcing, and adopting efficient institutional and administrative processes, KP has the potential to transform its industrial estates into highly appealing investment destinations. This will lead to job creation and drive the overall industrial progress of the province.

4.6 Case Study: Gadoon Amazai Industrial Estate

The Khyber Pakhtunkhwa provincial government of Pakistan established the Gadoon Amazai Industrial Estate (GAIE) in 1989 as a means to address poverty and unemployment. The estate's history, however, was characterized by periods of prosperity as well as challenges. This essay offers a thorough examination of the achievements and shortcomings of GAIE, shedding light on crucial elements for the effective administration of industrial estates.

GAIE aims to promote industry in the Swabi region and eliminate poppy farming through various incentives, including duty-free import of capital and raw materials, a ten-year income tax exemption, sales tax exemption, concessionary loans, and discounted power prices. Nawaz et al. (2015). The investments had a quick growth, potentially surpassing PKR 10 billion, which led to an influx of new enterprises to GAIE. It transformed into a thriving industrial hub, creating numerous job opportunities and greatly expanding the range of revenue sources for the surrounding residents. GAIE, thus, served as both a prominent economic participant and a catalyst for change, altering the financial terrain and expanding the range of job opportunities. GAIE's initial success is further emphasized by the expansion of manufacturing, encompassing several sectors such as textiles, steel, and chemical industries.

4.6.1 The Downfall of the Industrial Estate

Although GAIE initially showed promise, its course took a negative turn when the crucial incentives were suddenly revoked as a result of a mix of political and non-political circumstances. External investors took advantage of the incentives by creating subsidiary entities to import items without paying duties. These goods were subsequently transferred to their main production facilities located in different provinces. In addition, interest groups from Punjab and Sindh exerted significant influence on important government departments, resulting in the withdrawal of GAIE's incentives in 1991 (Nawaz, et al., 2015). The cessation of incentives and the consequent decline of the industrial units highlighted the precariousness of GAIE's achievement. Numerous businesses were compelled to cease operations, resulting in employment losses and a substantial decline in earnings. The region had a decline in

both the standard of living and literacy rate, indicating a significant reverse of the progress achieved during the peak of GAIE.

5. Discussion and Implications

To fully analyze the impact of GAIE on the long-term viability of industrial estates, it is crucial to have a detailed conversation about the influence of financial incentives on economic growth. This is especially pertinent considering the International Monetary Fund's focus on eradicating subsidies, trade barriers, and incentives as part of its lending terms. Although financial incentives such as tax breaks, subsidies, and duty exemptions have frequently been successful in stimulating economic growth, it is important not to overestimate their usefulness. Indeed, they have the capacity to greatly stimulate commercial activity, employment, and economic growth, thereby motivating enterprises to explore new territories, as was exemplified by GAIE in its early stages. These incentives can also promote a broadening of the local economy, create prosperity, and decrease unemployment. Moreover, when employed wisely, these incentives can foster enterprises that are in line with a nation's enduring economic and social objectives, such as the rapidly growing green sectors.

Nevertheless, it is crucial to use a subtle and discerning approach when considering incentives, since an over dependence on them might result in significant hazards. Consider, for instance, enterprises that are predominantly founded as a result of incentives, such as in the case of GAIE. Their sustainability may be jeopardized once these incentives are terminated. An excessive reliance on incentives can result in an unstable corporate environment that is prone to collapse when the incentives are removed. This situation is similar to 'rent-seeking' behavior, when organizations prioritize profiting from incentives rather than engaging in constructive activities. Incentives, while having the capacity to significantly impact the outcome of a situation, can lead to market distortions, improper allocation of resources, and the creation of an unsustainable economic climate. This is a concern that international organizations such as the IMF frequently highlight. This indicates that the long-term health of the economy can be harmed if the utilization of these incentives isn't balanced and well-planned (Glaeser's, 2001).

Therefore, while establishing incentives, policymakers should meticulously evaluate its category, magnitude, and duration, in conjunction with the wider economic circumstances and long-term viability. Considering incentives as a catalyst rather than a dependency can effectively encourage initial expansion while guaranteeing the long-term sustainability of enterprises after the incentives are gradually withdrawn. To cultivate a strong and enduring corporate environment, it is crucial to implement additional measures such as skill development programs, infrastructure development, and institutional support. Furthermore, it is crucial that the procedure of providing and revoking incentives is transparent and uniform. The sudden elimination of incentives, as seen in the instance of GAIE, might potentially result in significant economic disruptions. The potential risks could be mitigated with a well announced and phased withdrawal timetable.

The GAIE case study conclusively illustrates that monetary incentives can have both advantageous and detrimental consequences. If utilized prudently and integrated into a complete economic strategy, they can serve as potent tools for fostering growth. Insufficient preparation or excessive reliance on a single element raises the likelihood of failure, perhaps leading to the downfall of businesses and whole industries. Hence, it is crucial to adopt a meticulously planned approach when establishing industrial estates, considering many factors such as labor markets, educational institutions, infrastructural development, and financial institutions.

5.1 Conclusion

An examination of the Gadoon Amazai Industrial Estate (GAIE) in Pakistan, the Tangier Free Zone (TFZ) in Morocco, and the Hawassa Industrial Park (HIP) in Ethiopia provides valuable insights into the procedures and management of Special Economic Zones (SEZs) and industrial estates. Despite their distinct differences in geography, administration, and economy, these three places share certain characteristics. The three case studies exemplify the crucial role of infrastructure planning in the establishment of special economic zones (SEZs). Optimal road, rail, and port networks, resilient warehousing, and storage facilities, coupled with extensive utilities infrastructure, are essential for guaranteeing the operating efficiency of these zones.

Human capital development is a universally significant lesson. The success of a Special Economic Zone (SEZ) heavily relies on having a highly competent workforce. This is exemplified by TFZ's case, where they successfully

addressed their lack of skills by implementing comprehensive education and training initiatives. In the same vein, Hawassa has made significant progress in enhancing employee well-being to guarantee a dependable and dedicated staff. Furthermore, the case studies emphasize the possible drawbacks of excessive dependence on monetary rewards. The experience of the GAIE serves as a cautionary example that highlights the potential dangers of firms overly relying on incentives. The abrupt cessation of these incentives may result in substantial economic disruptions. Hence, it is crucial to adopt a well-balanced strategy that utilizes incentives as a starting point rather than relying on them excessively, while also implementing a transparent and predictable plan for gradually reducing their usage.

The significance of strategically prioritizing industries in which an area possesses a comparative advantage is evident, especially when considering the TFZ and HIP cases. Their approach of capitalizing on existing advantages instead of pursuing high-tech industries resulted in long-lasting economic achievements. Ultimately, these instances highlight the significance of efficient customs and regulatory protocols. An optimized and uncomplicated regulatory framework can improve operational effectiveness and appeal to investors. Essentially, the long-term success of Special Economic Zones (SEZs) and industrial estates relies on a delicate equilibrium of multiple factors. Efficient infrastructure, competent workforce, equitable financial incentives, targeted industrial concentration, and simplified regulatory procedures all contribute to the overall success. These case studies indicate that establishing a successful SEZ is difficult, but a thorough and thoughtful strategy may turn these zones into important drivers of economic growth and development.

5.2 Recommendations

The Tangier Free Zone (TFZ) in Morocco's success offers vital insights and lessons for Khyber Pakhtunkhwa Province (KP) in its efforts to build Special Economic Zones (SEZs) that promote sustainable economic growth. To exploit the potential of SEZs and stimulate economic change in the region, KP might adopt and execute the following methods.

5.2.1 Give Priority to the Development of Infrastructure

An effective infrastructure is essential for the success of any Special Economic Zone (SEZ) or industrial estate. To accelerate the transportation of goods and people and enhance the appeal to investors, Khyber Pakhtunkhwa (KP) should prioritize infrastructural development. Difficulties may develop due to financial limitations and the requirement for a diverse set of skills, such as logistics, engineering, and project management. Furthermore, infrastructure projects frequently experience extended periods of time before they can begin, and they may encounter obstacles pertaining to the acquisition of property and compliance with environmental rules. Therefore, it is imperative for the government to meticulously strategize infrastructure initiatives, ensuring a harmonious equilibrium between expeditiousness and the paramount of excellence and durability. Possible hazards encompass the inclination to expedite projects or prioritize projects that are more conspicuous or politically favoured, rather than those that would yield the most substantial long-term advantages.

Prioritize the Development of Human Capital: The sectors in KP have the potential to greatly benefit from a highly skilled workforce. Investing in the development of human capital will not only result in higher levels of production, but also foster creativity and facilitate the transfer of technology. To implement this recommendation, it will be necessary to collaborate with educational institutions and vocational training centres in order to synchronize curriculums with the requirements of the industry. Challenges may encompass financial limitations and opposition from conventional educational institutions over the modification of their curricula. Furthermore, there is a potential for a discrepancy between training programs and the demands of the sector, resulting in an inadequate or excessive availability of specific talents. In order to prevent this, the government should establish regular and effective communication with industries and promptly update training programs.

5.2.2 Simplifying the Regulation Process: Enhancing Business Efficiency

Promoting ease of doing business can be achieved by optimizing and simplifying regulatory procedures inside Special Economic Zones (SEZs). KP should establish centralized service hubs to manage all the documentation required for acquiring permits, licenses, and other types of administrative authorization. These hubs function as

comprehensive service centers for companies, optimizing their contacts with government agencies to reduce bureaucratic obstacles and achieve time and cost savings. KP can cultivate a favorable environment for businesses within the SEZs by adopting optimal methods in regulatory and customs procedures, thereby promoting both domestic and international investments. An uncomplicated regulatory structure would not only facilitate enterprises' operations, but it will also ensure their complete adherence to all relevant laws and regulations.

5.2.3 Strategic Sector Selection: Exploiting Comparative Advantages

KP should carefully select industries for SEZ development following a comprehensive assessment of its existing industrial capabilities and competitive strengths. In order to attain sustainable economic prosperity, KP should focus on industries in which it possesses a distinct advantage over its competitors. These industries encompass textiles, tourism, agriculture, and technology. The alignment of Special Economic Zones (SEZs) with the specific capabilities of Khyber Pakhtunkhwa (KP) leads to an enhancement in investment, innovation, the establishment of new firms, and the creation of employment opportunities. Furthermore, KP should consider promoting activities that provide value and incentivizing local suppliers to establish their businesses in the SEZs. This approach aims to stimulate the province's economy by enhancing indigenous manufacturing and reducing dependence on imported items.

5.2.4 Public-Private Partnerships: A Collaborative Approach for Achieving Success

The establishment of special economic zones (SEZs) relies on a strong collaboration between the public and private sectors. KP should cultivate robust collaborations with private businesses, industry associations, and investors to use their specialized knowledge, assets, and market reach. Public-private partnerships can offer the essential financial investment, technical expertise, and market connections needed to support the expansion and long-term viability of Special Economic Zones (SEZs).

In addition, involving local people and establishing discussion mechanisms will guarantee their active involvement and effectively resolve any social or environmental problems. Consistently involving stakeholders and seeking their input will enhance transparency, foster trust, and establish a favourable atmosphere for sustained achievement.

5.2.5 Improving the Availability of Domestic Resources and Integrating Value Chains

The key to reviving local industries in Khyber Pakhtunkhwa (KP) is effectively utilizing domestic sourcing and smoothly integrating within value chains. An essential approach for this endeavor involves harnessing the abundant reserves of valuable resources such as copper, coal, and gold that Pakistan possesses. To reduce reliance on imported raw materials and strengthen local industries, KP should support the production and distribution of these raw materials by local suppliers to enterprises operating inside the industrial parks. Implementing such a measure will not only boost the native mining sector but also decrease the expenses incurred from importing these essential materials. To strengthen the ability, quality standards, and competitiveness of local suppliers, it is necessary to implement incentives and comprehensive support measures. This might involve providing financial incentives, implementing talent development programs, and offering technical help, all of which would empower local suppliers to efficiently meet the demands of the industry.

Additionally, KP should direct investments towards downstream industries that can effectively utilize these plentiful local resources. The implementation of industries such as copper processing plants, coal-fired power plants, and gold refining facilities will not only utilize the existing resources but also create a connected network of operations within the industrial parks. This integration has the potential to act as a catalyst for economic expansion, by promoting the development of local industries and reducing dependence on imported goods. Engaging in partnerships with international firms and academic institutions can significantly accelerate this process. These agreements have the potential to facilitate the transfer of technology, foster research partnerships, and ignite innovation, hence further diminishing reliance on imported raw materials and technology. By utilizing these abundant reserves of resources and giving importance to sourcing from local areas and integrating the value chain, KP can establish a self-sufficient industrial sector that strengthens economic expansion. This effort has the potential to signify a significant shift in KP's industrial growth, turning it into a center for sustainable development and economic stability.

5.2.6 Enhancing Institutional Capacity: Reinforcing Governance and Coordination

The development of institutional and administrative capability is crucial for efficiently managing and coordinating industrial parks. KP must allocate funds towards training initiatives aimed at enhancing the skills of park management authorities, administrators, and workers. The objectives of such initiatives should encompass project management, investment promotion, regulatory compliance, and enterprise facilitation. Establishing integrated service centers within the parks will result in reduced bureaucratic obstacles for investors and industries, enabling them to commence their operations more expeditiously. Regular stakeholder involvement, consultation, and feedback procedures should be established to promote close collaboration among park management authorities, government agencies, local communities, and investors. KP can enhance its ability to administer and coordinate industrial parks by bolstering institutional capacity and fostering a favorable business climate.

5.2.7 Exploiting Geographic Advantage

Utilizing Strategic Location and Market Access, KP should leverage its advantageous geographical position and actively pursue avenues for market entry. It is imperative to allocate resources towards developing road networks and transportation systems in order to promote connectivity. This includes enhancing accessibility to key ports, airports, and transportation hubs. KP may improve the competitiveness of its industrial parks by actively seeking trade agreements and chances for market access. These agreements can offer advantageous trading conditions, expand opportunities in untapped markets, and diminish obstacles to trade for enterprises operating within the parks. In addition, offering incentives and assistance to attract investors, such as tax advantages, exemptions from duties, and cash incentives, can counterbalance any drawbacks in location and stimulate investment in the industrial parks.

5.2.8 Establish Equitable Financial Incentives

Monetary incentives can effectively entice enterprises to KP's industrial parks, so stimulating economic expansion and generating employment opportunities. Nevertheless, the implementation of these incentives presents difficulties such as the possible abuse of incentives, financial limitations, and the possibility of only attracting enterprises interested in immediate gains rather than long-term investments. In order to attract enterprises to KP based on its inherent qualities rather than just on financial incentives, it is imperative for the government to exercise caution and avoid excessive reliance on incentives. It is important to consider the province's economic development goals while designing incentives, in order to attract the most advantageous sectors for the economy and the community.

Khyber Pakhtunkhwa (KP) should draw lessons from the errors committed in the Gadoon Amazai Industrial Estate (GAIE) case study, highlighting the importance of strategic planning and a sustainable approach to industrial growth. Here are some suggestions for the province to contemplate based on the knowledge acquired from GAIE, with the aim of fostering sustainable growth in its industrial sector. Initially, KP must contemplate the optimal utilization of incentives in a manner that is both efficient and strategic. While incentives such as tax cuts and duty exemptions can stimulate industrial development, it is unwise to depend only on them. When determining the type, scale, and length of incentives, it is crucial to carefully consider the broader economic context and the long-term viability. Incentives are intended to serve as a catalyst for progress, rather than a reliance that lasts indefinitely.

Furthermore, the GAIE instance demonstrates that the progressive introduction and removal of incentives will effectively safeguard the industrial sector from abrupt disruptions. An effectively disclosed and transparent plan for withdrawing incentives will provide firms with the time to adapt and strategize their operations in the absence of incentives. This technique has the potential to mitigate the likelihood of substantial economic disruptions. In addition to providing incentives, it is important for KP to prioritize the establishment of a robust framework to support long-term industrial development. This encompasses allocating resources towards the enhancement of infrastructure, such as establishing dependable transportation systems and utilities, while also allowing the availability of inexpensive financing alternatives. These actions have the potential to boost economic activity and enhance the industrial sector's ability to adapt to fluctuations in the business environment.

To summarize, a careful combination of policy reform, efficient use of resources, sourcing from local suppliers, and integrating the value chain can bring about a substantial change in the industrial sector of Khyber Pakhtunkhwa.

The key elements that can assist this dramatic shift are prioritizing sustainable energy infrastructure, harnessing untapped natural resources such as coal, copper, and gold, and fostering local enterprises through appropriate incentives and support. Strengthening cooperation with foreign firms and academic institutions to facilitate the exchange of technology and research collaboration will further decrease reliance on imports and foster innovation. Implementing these strategic steps would establish KP as a self-sufficient industrial center, promoting economic expansion and adaptability while safeguarding the lasting welfare of its residents. This progressive approach will not only assist Khyber Pakhtunkhwa but also play a crucial role in the overall industrial and economic advancement of Pakistan.

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