

**Press Release
(Only for Express Tribune)**

PITB CLARIFIES REPORT ON PUNJAB IT POLICY DRAFT

Lahore, December 5, 2016

While referring to a report filed by Shahram Haq, appeared in daily The Express Tribune's December 4 edition on, *IT in Punjab: Policy fails to address rural-urban divide*, a spokesperson of Punjab Information Technology Board (PITB) has clarified that as a matter of fact, the IT policy draft shared for public opinion till November 25, 2016 and subsequently extended till December 2, 2016, for inviting proposals/ suggestions from IT related stakeholders mentioned on pages 14 and 24 that proactive measures would be taken to bridge the digital divide "across gender, region and economic classes" and to ensure affordable access to the internet. The specific policy commitments in this regard are: establishment of common resource and service centers and public Wi-fi hotspots in remote areas and promotion of ease of access for women at these service centers. Moreover, the policy also talks about the promotion of private sector investment in e-learning initiatives through tax-breaks and engagement with global online learning platforms for provision of quality content in regional languages. Furthermore, the need for extensive local content has also been pointed out in public consultations held on the first draft and shall be addressed in the revised draft, he said.

The published report also criticizes tax policies for the software industry without taking into account tax-specific measures laid out in the IT policy draft. The measures proposed in the policy in this regard are: sales tax reimbursements and tax-breaks to IT-related firms in proportion to research and development investment and job creation and to non-IT sector firms proportionate to their investment in IT-related services and automation of process and establishment of special economic zones for IT industry. For the startups, the policy seeks a three-year exemption from all provincial taxes, a five-year period of self-certification based compliance with tax laws, establishment of a government-backed venture capital fund, applied entrepreneurship training programs and provision of interest-free loans.

The Spokesperson added that the draft policy also specified that the provincial government will lobby on behalf of the industry to seek a five-year exemption for IT, IT enabled services (ITES) and EHM industries from revenue tax (a federal subject).

Another point mentioned in the said report, without corroboration, is the need for promotion of IT-based services in regional languages. The policy also has specific provisions on raising awareness on use of IT-based services like e-khidmat and promotion of IT education through introduction of Information and Communication Technology (ICT) trainings through existing network of technical training centers in the public sector; introduction of new courses in the high school curricula on communications, interpersonal, public relations and other such skills. It is worth to mention that PITB's running projects to facilitate Citizens from both Rural & Urban areas were getting services even if they don't know any language to write as the staff at these Centers record and fill the required particulars on line, he said.

The IT policy, which remained open for public comments received encouraging response and all the suggestions, remarks and observations received are being considered, including the suggestion made by the representatives of IT industry or the reporter in the published news, and a draft based upon these will be finalized prior to its submission to the Provincial Cabinet for approval. The policy document aims

to address all aspects of the IT sector, including industry, entrepreneurship, academia etc. and concerns raised during the public consultation period would be duly addressed in the revised draft, the spokesperson concluded.